

**CADDO PARISH COMMISSION  
505 TRAVIS STREET, GOVERNMENT PLAZA  
PUBLIC NOTICE  
ECONOMIC DEVELOPMENT COMMITTEE  
(Virtual)  
APRIL 20, 2020  
2:00 PM**

**This meeting will be available for viewing on the Parish of Caddo's Facebook page (via Facebook Live).**

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1. ROLL CALL:

**John E. Atkins—Chair**  
Stormy Gage-Watts  
Ken Epperson, Sr.  
John-Paul Young  
Mario Chavez—President

2. INVOCATION:

3. PLEDGE OF ALLEGIANCE:

4. AGENDA ADDITIONS:

5. PUBLIC COMMENTS:

Citizens who wish to address the Committee, please fill out a comment card by clicking [HERE](#) and submit to the Commission Clerk's Office. Individual comments are limited to 3 minutes and will be read aloud during the Public Comments section of this agenda. Citizens may also address the Committee by calling the Commission Clerk's Office at (318) 226-6596 during the Public Comments section of this agenda.

6. NEW BUSINESS:

6.I. Certification For Teleconference

Documents:

[CERT TELECONFERENCE ECON DEV COMMITTEE 4.20.2020.PDF](#)

6.II. Discuss Providing Economic Incentives To Potential Employer

6.III. Discuss Frymaster ITEP Application

Documents:

[ITE NOTICE OF BOARD APPROVAL LETTER - PARISH.PDF](#)  
[FRYMASTER 20190285 APPLICATION.PDF](#)  
[FRYMASTER 20190285 EXHIBIT A.PDF](#)  
[ITEP LOCAL NOTICE OF ACTION.PDF](#)

6.IV. Discuss Funding For Southern University Programs- Nursing, Aerospace, And MS-KICK

6.V. Discuss Adding The Requirement That All Funding Requesting Coming To The Economic Development Committee Be Accompanied By An Economic Impact Assessment

7. ADJOURN:

**CERTIFICATE OF NEED TO TELECONFERENCE AND/OR VIDEO  
CONFERENCE THE CADDO PARISH COMMISSION  
ECONOMIC DEVELOPMENT COMMITTEE MEETING OF APRIL 20, 2020**

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**WHEREAS**, the Governor of the State of Louisiana has issued Proclamation Number 33 JBE 2020, stating that, due to the current Public Health emergency declared in the Governor's Proclamation Number 25 JBE 2020, and citing the provisions of La. R.S. 29:721, *et seq.*, granting him the authority to control the "ingress and egress to and from a disaster, the movement of persons within the area, and the occupancy of premises therein; and

**WHEREAS**, the Governor, in Proclamation Number 33 JBE 2020, has limited all gatherings of 10 or more people, for public safety purposes; and

**WHEREAS**, Governor has issued a general stay at home order "unless performing an essential activity," 33 JBE 2020, Section 3; and

**WHEREAS**, attendance at a Caddo Parish Commission Economic Development Committee meeting is not stated in the list of essential activities, listed in 33 JBE 2020, Section 3; and

**WHEREAS**, the usual conduct of the meeting would require travel and the presence of a number of persons in excess of ten (10); and

**WHEREAS**, the Governor of the State, in Proclamation Number 30 JBE 2020, Section 4, issued on March 16, 2020, has invoked the aforementioned statutes authorizing him to allow attendance at essential governmental meetings via teleconference or video conference during the pendency of this emergency; and

**WHEREAS**, the Governor of the State, in Proclamation Number 41 JBE 2020, Section 13, issued on April 2, 2020, has extended the Stay-At-Home Order until Thursday, April 30, 2020; and

**THEREFORE**, the Caddo Parish Commission hereby certifies that it will not be able to obtain a quorum and convene a meeting in a public forum on April 20, 2020 due to the Governor's proclamations, and will be required to meet by video conference, and, if necessary teleconference, on that date as allowed by law and the Proclamations of the Governor listed above.

Date: April 15, 2020

  
\_\_\_\_\_  
**Mario Chavez**  
**Caddo Parish Commission President**

February 24, 2020

Dr. Woodrow Wilson, Parish Administrator  
Attn: Ms. Erica Bryant, Director of Finance & HR  
Caddo Parish Commission  
505 Travis Street, Suite 800  
Shreveport, LA 71101

RE: Frymaster LLC  
Board of Commerce and Industry Approval Notice ("Notice")  
Tax Exemption Application #20190285-ITE - \$6,000,000.00

Dear Dr. Wilson:

This Notice is being provided to you pursuant to the Rules of the Board of Commerce and Industry ("Board"), effective August 20, 2018, specifically Title 13 of the Louisiana Administrative Code, §503(H)(1) ("Rule").

Pursuant to this Rule, the Notice is hereby given that the above-referenced Tax Exemption Application for Frymaster LLC, attached hereto along with the corresponding Exhibit A, was approved by the Board on February 21, 2020. Local governmental entities have thirty days to determine whether to take further action on the approval in accordance with the Rule and may provide the necessary notice to LED, timely, using the attached Notice of Action. Any local governmental entity that timely notifies LED that the above-referenced application has been placed on the agenda of a public meeting will have an additional thirty days to make a final determination in accordance with the Rule. If the local governmental entity takes no action or does not provide timely notice of action to LED within the delays provided by the Rule, then the application shall be deemed approved by that entity.

Sincerely,



Kristin Cheng  
Program Administrator  
Industrial Tax Exemption Program

Cc: Assessor, Caddo Parish

# 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:** 20190285-ITE

**Date Received:** 10/17/2019

## PROJECT INFORMATION

**Company:** Frymaster LLC  
**Project Name:** Transformation Project  
**Project Location:** 8700 Line Ave. , Shreveport, LA, 71106  
**Parish:** Caddo  
**City Limits?:**

## COMPANY INFORMATION

**Product Manufactured:** Welbilt Corporation is a global leader in kitchen equipment design, manufacturing and system solutions. Frymaster, a division of Welbilt, manufactures an assortment of fryers, pasta cookers, and food warmers/holding stations.  
**Manufacturing Process/Activities:** Frymaster processes sheet metal through CNC (computer numeric control) punching, laser cutting, and press brake forming equipment. Major components are MIG & TIG welded. In the assembly process, the fabricated parts are merged with the purchased components to complete a final unit.

## 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:** 333319  
**Project Type:** Addition  
**Project Start Date (beginning of construction and/or installation):** 8/9/2019  
**Project End Date (ending of construction and/or installation):** 12/31/2020  
**Anticipated date for the commencement of operations of this project:** 10/1/2019  
**Project Description:**

Welbilt Corporation is a global leader in kitchen equipment design, manufacturing and system solutions. Over the course of the next two years, Frymaster, a division of Welbilt, will undergo a business transformation that will completely modernize its local manufacturing operations in Shreveport, LA. After a decade of limited capital investment, the company is actively and aggressively investing in equipment, tools, technology, training and people. These investments are intended to enable and ensure the long term viability of Frymaster's operations in Louisiana. Specific projects include: 1) Purchase & installation of state-of-the art equipment that will improve the quality of its products, decrease the time to market, and potentially become a hub of fabrication for many of Welbilt's companies across the country; 2) Purchase of state-of-the art design software that will enable a new generation of designers to create next-gen products to manufacturing execution systems that will empower our associates on the shop and enhance our digital architecture; and 3) Invest in training and employee up-skilling.

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:** 2019,2020

## ESTIMATED INVESTMENTS

<b>Building &amp; Materials:</b>	\$0.00
<b>Machinery &amp; Equipment:</b>	\$6,000,000.00
<b>Labor &amp; Engineering:</b>	\$0.00
<b>Estimated Total Investment Amount:</b>	\$6,000,000.00
<b>Less: Restricted Amount:</b>	\$0.00
<b>Total Estimated Investments:</b>	\$6,000,000.00

## ESTIMATED JOBS

<b>Existing Jobs at Project Site:</b>	346
<b>Existing Jobs Statewide:</b>	450
<b>New Direct Jobs:</b>	0
<b>Contract Jobs:</b>	0
<b>Will new jobs be created in phases?</b>	N/A
<b>Explain:</b>	
<b>Construction Jobs:</b>	0
<b>Total Estimated Jobs:</b>	346
<b>New Jobs for this phase:</b>	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:** Frymaster, LLC (Line Avenue location in Shreveport, LA) is a member of a corporation with global manufacturing operations. We compete each

year for capital for upgrades and improvements to our equipment and facilities. The internal competition for capital is fierce, and because of that we have struggled to gain the attention of "Corporate" for years due to the age of our equipment, facilities, and resulting process inefficiencies. Corporate recently blessed us with a small project to buy some new equipment and make some improvements to our facility here in Shreveport. We are extremely excited to currently have some focus from Corporate, along with their commitment to some initial investment in modernization and retention at the original home facility here in Shreveport. We are interested in making the most of Corporate's current focus on the local facility and hope to lock in some longer-term investment commitments from them. If this "test" fails, then we will have more of a challenge going forward. As with all corporate decisions, a return on investment is key. Thus, we are pursuing ITEP benefits for our upcoming equipment purchases and building improvements. As our current focus is on modernizing and efficiency improvements, we will not be able to commit to any new jobs for this project; however, we are willing to commit to maintaining a certain level of employment and payroll. Ultimately, we are making this current investment to keep this facility open, fully operational, and competitive for years to come. We are committed to Shreveport and to our employees, and we must make the changes necessary to remain competitive.

## ESTIMATED PAYROLL

<b>Existing Jobs Payroll:</b>	\$19,578,440.00
<b>Existing Jobs Statewide Payroll:</b>	\$26,303,096.00
<b>New Direcy Jobs Payroll:</b>	\$0.00
<b>Contract Jobs Payroll:</b>	\$0.00
<b>Construction Jobs Payroll:</b>	\$0.00
<b>Total Estimated Payroll:</b>	\$19,578,440.00
<b>New payroll for current phase:</b>	\$0.00

## PROPERTY TAX

Millage Rate for this property. Use the millage rate obtained from the parish assessor to calculate the fee. 0.1624

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):** 425821.00

## 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

LLC taxed as a C-Corp

## ESTIMATED BENEFIT

<b>Investment Amount:</b>	\$6,000,000.00
<b>x Assessment Percentage:</b>	0.15
<b>x Millage Rate:</b>	0.1624
<b>=Annual Exemption</b>	\$146,178.00
<b>Annual Exemption * 5 years at 80%</b>	\$584,712.00
<b>+ Annual Exemption * 5 years at 80%</b>	\$584,712.00



**=Estimated Ten Year Property Tax Exemption**

\$1,169,424.00

**FEE CALCULATION**

**Estimated Ten Year Property Tax Exemption :** \$1,169,424.00  
**x Rate** 0.005  
**= Assessed Fee (\$500.00 Minimum—\$15000.00 Maximum)** \$5,847.12  
**Amount Paid:** \$5,847.12  
**Amount Due:** \$0.00

**ATTACHMENTS**

Document Type	Document Name	Date
Notarized Affidavit	Frymaster - 20190285-ITE Contract Affidavit.pdf	9/10/2019
Breakdown of Purchases	Frymaster - 20190285 ITEP Breakdown of Purchases.xlsx	9/10/2019
Proof of Millage Rate	Frymaster - ITEP Caddo Proof of Millage Location Verification Form Signed.pdf	9/17/2019
Other	Frymaster - 2018 P-Tax Bills for 8700 Line Ave.pdf	9/17/2019
Other	Frymaster - Compelling Reason for Retention ITEP Application Attachment.docx	10/14/2019
Baseline Calculation Worksheet	Frymaster - 20190285-ITE Employment Baseline Calc Worksheet Signed 10.17.19.pdf	10/17/2019

**PAYMENTS**

Fee Type	Amount Paid	Date Received	Confirmation #	Transaction Type
APPLICATION	\$5,847.12	10/17/2019	19101748092800	Credit Card

**PROJECT CONTACTS**

Contact First Name	Contact Last Name	Email Address	Company Name	Mailing Address	Phone Number	Contact Type
James	Leonard	jimmy.leonard@advantous.com	Advantous Consulting, L.L.C.	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
Jessica	D'Avy	jessica.d'avy@welbilt.com	Welbilt, Inc.	8700 Line Ave. , Shreveport, LA, 71106	(318) 866-2247	Business
Kyle	Williams	kyle.williams@welbilt.com	Welbilt, Inc.	8700 Line Ave. , Shreveport, LA, 71106	(318) 862-2321	Business
Mark	Lanier	mark.lanier@welbilt.com	Welbilt, Inc.	8700 Line Ave. , Shreveport, LA, 71106	(318) 865-1711	Business Signatory

### 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: V.P. and Managing Director

First Name: Todd

Last Name: Phillips

Email Address: todd.phillips@welbilt.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, **Mark Lanier**

, **approve the above information.**

A handwritten signature in blue ink, appearing to be 'Mark Lanier', is written across the signature line. The signature is fluid and cursive, with a large loop for the 'L' and a long horizontal stroke extending to the right.

CONTRACT FOR EXEMPTION OF AD VALOREM TAXES

(Advance Notification # 20190285)

**EXHIBIT "A"**

AGREEMENT

among

LOUISIANA DEPARTMENT OF ECONOMIC DEVELOPMENT

and

FRYMASTER LLC

## EXHIBIT "A" AGREEMENT

This Agreement, as of the Effective Date, defined herein, is made between:

LOUISIANA DEPARTMENT OF ECONOMIC DEVELOPMENT ("LED"), an agency of the State, represented herein by the Secretary of the Department ("Secretary"); and

FRYMASTER LLC ("Company"), a limited liability company in good standing, and authorized to do business in the State, represented herein by the undersigned duly authorized officer.

(The above are collectively referred to as "Parties" and singularly referred to as "Party".)

WHEREAS, Article VII, Section 21 (F) of the Louisiana Constitution of 1974 provides that the Louisiana Board of Commerce and Industry ("Board"), with the approval of the Governor of the State of Louisiana ("Governor"), may enter into contracts for the exemption from ad valorem taxes of a new manufacturing establishment or an addition to an existing manufacturing establishment on such terms and conditions as the Board, with the approval of the Governor, deems is in the best interest of the State; and

WHEREAS, the Governor has provided the terms and conditions pursuant to which he will approve contracts for the Industrial Tax Exemption ("Exemption"); and the Board has promulgated Rules pursuant to which it will approve contracts, all in accordance with Article VII, Section 21(F); and

WHEREAS, Company intends to modernize its with the purchase and installation of state-of-the-art equipment to improve product quality, efficiency and position itself as a hub of fabrication for Welbilt companies across the country; purchase of state-of-the-art design software to enable the creation of next-gen products to manufacturing execution systems; and invest in training and employee up-skilling all at its facility located in Caddo Parish (the "Project"), and a compelling case has been shown by Company and found by LED that retained jobs and payroll as hereinafter provided will result from the Company's investment in the Project; and

WHEREAS, Company has filed an Advance Notification for the Project in accordance with the Rules of the Board in order to obtain an exemption from ad valorem taxes in Caddo Parish; and

WHEREAS, the Company anticipates that the Project will be constructed in Phases spanning one or more years prior to the Company's commencement of Operation; and

WHEREAS, in exchange for the Exemption, Company agrees to create or maintain such Jobs and Payroll (defined herein-below) and to the other terms and conditions of this Agreement; and

WHEREAS, in accordance with the Board Rules, this Agreement shall be Exhibit A to the Exemption Contract(s) and shall include the number of jobs and payroll to be created and/or retained at the Manufacturing Establishment and the term of the Exemption; and

WHEREAS, the Secretary projects that the return on investment to the State and Local

Governmental Entities from the Manufacturing Establishment will exceed the benefit of the Exemption as set forth in the terms hereinafter provided, considering a multitude of factors, including but not limited to the following: capital expenditure, direct payroll tax revenue, indirect payroll tax revenue, and additional indirect tax revenue streams such as property tax, sales tax, other payroll tax, and other local taxes associated with jobs supporting the Project; and

WHEREAS, this Agreement serves a public purpose and is in the public interest of the State and its citizens;

THEREFORE, IT IS AGREED:

## **ARTICLE I DEFINITIONS**

### **Section 1.01 Definitions**

**"Advance Notification"** means the notification of intent to apply for the Exemption filed in accordance with Section 503 of the Rules.

**"Agreement"** means this Exhibit "A" agreement, and any amendments or modifications thereto.

**"Assignment"** means to transfer or assign this Agreement, transfer or assign any of a Party's rights hereunder, or delegate any of a Party's duties hereunder, and **"Assignee"** means the entity to which such transfer or assignment is made in accordance with this Agreement.

**"Basic Health Benefits Plan"** means a basic health benefits plan for the individuals employed in new direct Jobs in this State which shall be determined by LED to be in compliance with federally mandated healthcare requirements or, if no federally mandated healthcare requirements exist, shall provide coverage for comprehensive healthcare coverage including basic hospital and physician care.

**"Board"** means the Louisiana Board of Commerce and Industry.

**"Capital Expenditures"** means the cost associated with a new manufacturing establishment or an addition to an existing manufacturing establishment, including purchasing or improving real property and tangible personal property, whose useful life exceeds one year and which are used in the conduct of business.

**"Cessation of Operation"** means failure of the Manufacturing Establishment to engage in manufacturing and provide finished product(s) into the stream of commerce, except that the Secretary shall have the discretion to determine whether and the duration for which a temporary suspension of Operation due to maintenance, equipment breakdowns, or turnarounds does not constitute a Cessation of Operation.

**"Certification of Compliance"** means a sworn verification of compliance with the Company Objectives under this Agreement, signed by a key employee of the Company (executive or senior level officer, project site manager, or equivalent rank.).

**"Company"** means Frymaster, LLC, a Louisiana limited liability company duly authorized to do and doing business in Louisiana, and its successors and permitted assigns.

**"Company Affiliate"** means any business entity that controls or is controlled by the Company or by another business entity that controls the Company, including a parent or subsidiary of the Company, or another subsidiary of a parent of the Company. Control means exercising authority over the management, business policies, and operations of the business entity.

**"Company Default"** is defined in Section 6.01(B).

**"Company Objectives"** means (1) the acquisition, expansion, construction, equipping, and Operation of the Manufacturing Establishment, (2) the making of anticipated Capital Expenditures; (3) the creation and maintaining of Required Annual Jobs and (4) the payment of Required Annual Payroll.

**"Contract Monitor"** is defined in Section 7.01(A).

**"Default"** has the meaning set forth in Article VI.

**"Default Payment"** means the amount of money, if any, paid by Company to the Local Governmental Entities in the event of a Default as provided in Article VI.

**"Effective Date"** is the date of execution of this Agreement by the Secretary.

**"Exemption"** means the exemption from ad valorem taxation provided for manufacturing establishments in Article VII, Section 21(F) of the Louisiana Constitution of 1974 with specific regard to the Project, which may occur in and is inclusive of Phases.

**"Exemption Contract(s)"** means the contract(s) entered into by the Board, the Company, and approved by the Governor memorializing the Exemption for the Project, including each Phase of the Project and specifying the terms thereof and to which this Agreement shall be Exhibit A to each such contract.

**"Exemption Period(s)"** means, for each Phase of the Project, the number of years of Exemption provided in accordance with the Rules and further set forth in Section 4.01(C), with each Exemption Period beginning on January 1 of the first Project Year after which each Phase becomes Operational or completes construction. The Exemption Period for any Phase of the Project shall not be longer than 10 years—no more than 5 years initially and an additional 5 years if the Exemption is renewed.

**"Governor"** means the Governor of the State of Louisiana.

**"ITEP"** means the Industrial Ad Valorem Tax Exemption Program administered by LED to implement the exemption from ad valorem taxation provided for in Article VII, Section 21(F) of the Louisiana Constitution of 1974.

**"Jobs"** means positions of employment that are:

- (1) retained in the state;
- (2) permanent (without specific term);
- (3) full-time (working a minimum of 30 hours or more per week);
- (4) employed directly by the Company, a Company Affiliate, or a Qualified Contractor;
- (5) based at the Manufacturing Establishment; and
- (6) filled by a United States citizen who is domiciled in Louisiana or who becomes domiciled in Louisiana within 60 days of employment; and
- (7) offering a Basic Health Care Benefits Plan.

Jobs shall not include:

- (1) jobs transferred to the Manufacturing Establishment from within the State by the Company, a Company Affiliate, or a Qualified Contractor, unless back-filled to result in a neutral job count within the State;
- (2) jobs transferred from other Louisiana-based employment as a result of the Company, a Company Affiliate, or a Qualified Contractor acquiring a business operation or substantially all of its assets, unless back-filled to result in a neutral job count within the State; or
- (3) jobs performing contract services for the State of Louisiana or any of its agencies.

**"LED"** means Louisiana Department of Economic Development.

**"Legislature"** means the Legislature of the State of Louisiana.

**"Local Governmental Entities"** with regard to Caddo Parish, means the parish governing authority, school board, and sheriff, as well as any municipality in which the Manufacturing Establishment is or will be located.

**"Manufacturing Establishment"** means the location for the Project, as described in the ITEP application for the Project, for the manufacturing of finished product(s) to be placed by Company into the stream of commerce.

**"Operation" or "Operational"** means the commercial utilization of the Manufacturing Establishment, if new, or of the addition, rehabilitation or restoration of the Manufacturing Establishment for which the Exemption is granted.

**"Payroll"** means payment by the Company, a Company Affiliate or Qualified Contractor to its employees for Jobs, exclusive of benefits and defined as wages under Louisiana Employment Security Law (La. R.S. 23:1472(20)), during a Project Year, except that with regard to Jobs employed directly by a Qualified Contractor, Payroll shall not include any fees, mark-up, profit margins or similar payments by the Company or a Company Affiliate to a Qualified Contractor.

**"Phase"** means that portion of the Project that becomes Operational or completes construction for which Capital Expenditures are made and, in the following Project Year, becomes subject to the Exemption provided by an Exemption Contract to which this Agreement is attached as Exhibit A.

**"Project"** means Company's acquisition or expansion, construction, improvement, equipping and



Operation of the Manufacturing Establishment as further described in the Recitals, which may occur in Phases.

**“Project Year”** means each twelve-month period, beginning on January 1 and ending on December 31 of each year identified in Section 4.02(B).

**“Qualified Contractor”** means a business entity other than Company or Company Affiliate, acting pursuant to an agreement with the Company or Company Affiliate regarding the Project.

**“Required Annual Jobs”** is the number of Jobs required to be met by the Company pursuant to Section 4.02, during a Project Year.

**“Required Annual Jobs and Payroll”** refers, collectively, to Required Annual Jobs and Required Annual Payroll.

**“Required Annual Payroll”** is the amount of Payroll required to be met by the Company pursuant to Section 4.02 for Jobs.

**“Rule(s)”** mean the rules promulgated by the Board as Chapter 5 of Title 13 of the Louisiana Administrative Code.

**“Secretary”** means the Secretary of the Louisiana Department of Economic Development.

**“State”** means the State of Louisiana.

## **ARTICLE II AUTHORITY**

### **Section 2.01 LED Authority**

LED is granted authority under the provisions cited above to enter into agreements with public and private associations or corporations for a public purpose.

### **Section 2.02 Company Authority**

A duly executed resolution or other evidence of the authority of the Company to enter into this Agreement and to carry out the commitments made herein, and the authority of the undersigned representative to execute this Agreement and any other documents required thereby on behalf of the Company, certified by the secretary or other authorized representative of the Company, is attached hereto as Exhibit 1.

### **Section 2.03 Other Approvals**

This Agreement is not effective until signed by all Parties.

## **ARTICLE III REPRESENTATIONS**

The Parties have all the requisite power and authority to enter into this Agreement and to carry out

the terms hereof; and the persons signing this Agreement have the authority to execute this Agreement as authorized representatives, and to bind the Parties to all the terms of this Agreement.

This Agreement has been duly authorized, executed, and delivered by the Parties and upon receipt of the approvals described herein will constitute a legal, valid, and binding obligation of the Parties, enforceable in accordance with its terms.

Parties have taken or will take all necessary and proper action to authorize the execution, issuance, and delivery of this Agreement and any other documents required by this Agreement, and the performance of its obligations under this Agreement.

The execution of this Agreement and any other documents required by this Agreement as well as the performance by the Parties of their respective obligations hereunder are within the Parties respective powers and will not violate any provisions of any law, regulation, decree, or governmental authorization applicable to them.

## **ARTICLE IV OBLIGATIONS**

### **Section 4.01 LED Obligations**

(A) LED enters into this Agreement for the purposes of providing the terms and conditions for Company's receipt of the Exemption in the manner and for the purposes provided for by the Board and the Governor.

(B) Upon execution of this Agreement, LED will recommend to the Board that the Company receive the Exemption for the Project under the terms and conditions hereinafter set forth as required by the Rules, and this Agreement shall be Exhibit A to each Exemption Contract among the Board and Company upon approval by the Governor.

(C) LED will make the following recommendation for the Exemption to the Board for the Company, subject to the Company's adherence to its objectives hereunder and in accordance with the terms and conditions of this Agreement and ITEP Rules with respect to the limitation or cancellation of an Exemption Contract in the event of the Company's non-performance of its objectives hereunder: (1) an 80% exemption from ad valorem taxes for the initial Exemption Contract of 5 years for each Phase and (2) an 80% exemption from ad valorem taxes for the renewal Exemption Contract of 5 years for each Phase with the express understanding that Company's compliance with and performance of the Company's Objectives hereunder shall be a consideration as to the renewal of the Exemption.

### **Section 4.02 Company Objectives**

(A) Commencement of Operation. The Company has proceeded with commercially reasonable due diligence to expand the Manufacturing Establishment and commence full Operation by October 1, 2019, as described in the ITEP application form filed or to be filed for this Project. During the construction period, which Company anticipates will span multiple years, Company projects that it will expend approximately \$6,000,000.00 in Capital Expenditures as well as retain 346 Jobs, including 0 Jobs by a Qualified Contractor. Upon commencement of Operation and

fulfillment of the foregoing representations, Company shall provide the Required Annual Jobs and Payroll as set forth in Section 4.02(B).

**(B) Operation of the Manufacturing Establishment: Required Annual Jobs and Payroll.** During each Project Year thereof, the Company anticipates maintaining Required Annual Jobs and Payroll at the Manufacturing Establishment as follows:

Project Year	Required Annual Jobs	Required Annual Payroll
2020	346	\$19,578,440.00
2021	346	\$19,578,440.00
2022	346	\$19,578,440.00
2023	346	\$19,578,440.00
2024	346	\$19,578,440.00
2025	346	\$19,578,440.00
2026	346	\$19,578,440.00
2027	346	\$19,578,440.00
2028	346	\$19,578,440.00
2029	346	\$19,578,440.00
2030	346	\$19,578,440.00

**(C) Jobs and Payroll Creation.** Any Jobs and corresponding Payroll created by Company after it files the Advance Notification for the Project shall be considered as having been created during the first Project Year.

**(D) Project Year Adjustment.** To the extent Company does not commence Operation on or before the anticipated date identified in Section 4.02(A), Project Years will adjust accordingly, but for no more than two years.

**(E) Other State Incentives.** To the extent that Company may receive any other incentives administered by LED directly for any Required Annual Jobs or Payroll, it shall have no bearing on this Agreement.

**(F) Louisiana Preference.** To the extent allowed by law, and insofar as is feasible and practicable, the Company agrees to use reasonable commercial efforts to give preference to Louisiana manufacturers, suppliers, vendors, contractors, and subcontractors in connection with equipping the Manufacturing Establishment and purchasing material and supplies to support Operation, provided such entities are competitive in price, quality, and delivery.

## ARTICLE V ASSIGNMENT AND TRANSFER

Assignment or Transfer of the Manufacturing Establishment or any part of an Exemption Contract shall be governed by Section 535 of the Rules pertaining to the "Sale or Transfer of Exempted Manufacturing Establishment."

**ARTICLE VI  
DEFAULT AND RENEWAL CONSIDERATION**

**Section 6.01 Default**

(A) State Default. The failure by the Board, the Local Governmental Entities or the Governor, to approve the Exemption for the Company in the manner provided by the Rules, constitutes a default under this Agreement. Upon the occurrence of such default, Company is relieved of all obligations hereunder and this Agreement shall automatically terminate without any further remedy to or obligation imposed upon Company.

(B) Company Default. The occurrence of any of the following actions during the term of any Exemption Contract shall constitute a Company Default with a corresponding remedy:

(1) Operation does not commence within a 2-year period beginning on the date identified in Section 4.02(A), in which case the Board may terminate or otherwise modify the Exemption Contract(s) as provided in the Rules.

(2) Cessation of Operation, in which case the Board may terminate or otherwise modify the Exemption Contract(s) as provided in the Rules;

(3) Assignment of this Agreement, or transfer of ownership of or controlling interest in the Manufacturing Establishment, the Company, or substantially all of its assets, other than as permitted under Article V, in which case the Board may terminate or otherwise modify the Exemption Contract(s) as provided in the Rules;

(4) Failure to satisfy 100% of either or both of the Company's Required Annual Jobs and Payroll under Section 4.02 of this Agreement upon which LED shall give notification to the Company and the Local Governmental Entities, which entities will make a recommendation to the Board on whether to terminate the Exemption Contract for the Company or otherwise alter the terms of the Exemption, including the length of the exemption period and/or the percentage of the exemption. The recommendation of the Local Governmental Entities shall then be submitted to the Board for consideration and/or action. This provision shall be applicable for each Project Year in which the Company fails to satisfy the requirements of this paragraph as provided herein irrespective of any prior decision of the Board to continue the Exemption Contract(s) under the terms provided.

Alternatively, the Local Governmental Entities and the Company may forego the recommendation to the Board required by this section if the Local Governmental Entities agree that the Company shall pay and the Company actually makes a Default Payment to each of the Local Governmental Entities in an amount agreeable to both the Local Governmental Entities and the Company, in which case the terms of the Exemption Contract(s) shall remain the same.

(C) Renewal Consideration. Upon Company's application for a renewal of the Exemption, Company's non-performance of this Agreement shall be considered by the Board in the manner provided by the Rules.

### **Section 6.02 Delay or Omission**

No delay or omission in the exercise of any right or remedy accruing to any Party upon any breach of this Agreement by any other Party shall impair such right or remedy or be construed as a waiver of any breach theretofore or thereafter occurring. The waiver of any condition or the breach of any term, covenant, or condition herein or therein contained shall not be deemed to be a waiver of any other condition or of any subsequent breach of the same or any other term, covenant, or condition herein or therein contained.

### **Section 6.03 Force Majeure**

(A) Upon occurrence of an event of Force Majeure, the affected Party shall have the right, but not the obligation, to declare a Force Majeure period, by giving written notice of such event and declaration to the other Parties within 30 days of such occurrence. Time being of the essence, the affected Party shall make every reasonable effort to give such notice as soon as possible, but in any event notice must be given within 30 days of the occurrence.

(B) The Force Majeure period shall continue from the date of such notice until the effects of such Force Majeure are removed, remedied, repaired, or otherwise no longer prevent performance of a Party's obligations hereunder. During the Force Majeure period, the obligations of the Parties under this Agreement shall be suspended, and the relevant deadlines and time periods under this Agreement shall be extended to the extent of such suspension. In any event, no Force Majeure period arising from a single event of Force Majeure shall be deemed to exist for longer than 2 years from the date of such notice, and the aggregate Force Majeure period during the term of this Agreement shall not exceed two years.

(C) The affected Party must proceed with due diligence to effect repairs or undertake efforts to remedy or mitigate the effects of a Force Majeure event, and within 60 days of the occurrence of the event of Force Majeure shall provide the other Parties a report showing the efforts made and to be made to remedy or mitigate the effects as well as a timetable to return to full performance.

### **Section 6.04 No Other Damages**

No party shall have the right to recovery against any other party of any damages of whatever nature, including compensatory, consequential, punitive, or otherwise, arising from or relating to any act or omission deemed to be a breach of this Agreement or fault of any party other than the remedies expressly set forth in this Article.

## **ARTICLE VII REPORTS; AUDIT**

### **Section 7.01 Contract Monitoring**

The Secretary of LED or his designee will designate, and may change from time to time, one or more persons on his staff to act as Contract Monitor for the Project, to act as LED's representative and liaison between LED and the Company, and to monitor the achievement of the Company Objectives.

**Section 7.02 Annual Certification of Compliance**

By the last day of the fourth month following the end of each Project Year (“Deadline”), and subject to one request by the Company for a reasonable extension of time of no more than 60 days if made, in writing, before the Deadline, the Company shall deliver to LED a Certification of Compliance with the Company Objectives under this Agreement, including specific verification of the creation and maintenance of Required Annual Jobs and Payroll. The Certificate of Compliance shall be in the general form of Exhibit 2 attached hereto and shall be accompanied by the additional materials referenced therein. All original documentation supporting the Certification of Compliance shall be maintained by the Company as required by the Rules. Failure to timely submit the annual Certification of Compliance may result in LED reporting to the Local Governmental Entities a failure to satisfy Required Annual Jobs and Payroll per Section 6.01(B)(4).

With regard only to the first Project Year referenced in Section 4.02(B), the Company shall deliver to LED the Certification of Compliance either within the time delay referenced in the prior paragraph or 90 days following the date that LED submits the Exemption Contract to the Company for execution, whichever is later.

**Section 7.03 Audit**

LED shall have such rights to compel an investigation at any time during the effectiveness of this Agreement as provided in Section 531 of the Rules pertaining to inspections.

**Section 7.04 Reporting Rules Applicable**

Nothing provided in this Section shall relieve Company of any additional reporting requirements provided by the Rules.

**ARTICLE VIII  
TERM**

The Term of this agreement shall extend from the Effective Date until the end of the last Exemption Period for the Project.

**ARTICLE IX  
MISCELLANEOUS**

**Section 9.01 Non Discrimination**

Company agrees to abide by the requirements of the following laws, as amended and as applicable: Title VI of the Civil Rights Act of 1964 and Title VII of the Civil Rights Act of 1964, the Equal Employment Opportunity Act of 1972; Federal Executive Order 11246; the Rehabilitation Act of 1973; the Vietnam Era Veteran's Readjustment Assistance Act of 1974; Title IX of the Education Amendments of 1972; the Age Discrimination Act of 1975; the Fair Housing Act of 1968; and the Americans with Disabilities Act of 1990. Company agrees not to discriminate in their employment practices in Louisiana, and, to the extent required by law and Executive Order, will render services in Louisiana without discrimination on the basis of race, color, religion, sex, sexual orientation,

national origin, veteran status, political affiliation, disability, or age in any matter relating to employment.

**Section 9.02 Captions**

The captions or headings in this Agreement are for convenience only and do not define or limit the scope or extent of this Agreement.

**Section 9.03 Counterpart**

This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which, when taken together, shall be deemed one and the same Agreement.

**Section 9.04 Choice of Law**

This Agreement shall be construed in accordance with and governed by the laws of the State of Louisiana.

**Section 9.05 Jurisdiction and Venue**

The 19th Judicial District Court in the Parish of East Baton Rouge, State of Louisiana, shall be deemed to be the exclusive court of jurisdiction and venue for any litigation, special proceeding or other proceeding as between the Parties that may be brought, or arise out of, in connection with, or by reason of this Agreement; and the Parties hereto submit themselves to the jurisdiction of said court in the event of any legal proceedings in connection with this Agreement.

**Section 9.06 Further Assurances**

From time to time hereafter, the Parties shall execute and deliver such additional instruments, certificates, or documents and take all such actions as another Party may reasonably request for the purpose of fulfilling the Parties' obligations hereunder.

**Section 9.07 Notices**

Any notice required or permitted to be given under or in connection with this Agreement shall be in writing and shall be delivered to the address(es) set forth below, or to such other address as may be designated by such Party in written notice to the other Party.

**To LED:**

Don Pierson, Secretary  
Louisiana Department of Economic Development  
P. O. Box 94185; Baton Rouge, LA 70804-9185 (USPS mail)  
11<sup>th</sup> Floor, 617 North 3rd Street, Baton Rouge, LA 70802-5239 (Delivery)  
Telephone: (225) 342-3000

**To the Company:**

Jessica D'Avy or Kyle Williams  
Welbilt, Inc.

8700 Line Ave.  
Shreveport, LA 71106  
Jessica.d'avy@welbilt.com or [kyle.williams@welbilt.com](mailto:kyle.williams@welbilt.com)  
(318) 866-2247 (Ms. D'Avy)  
(318) 862-2321 (Mr. Williams)

**Section 9.08 Amendment**

This Agreement may be amended only upon the written consent and approval of all Parties.

**Section 9.09 Rules Prevail**

To the extent any provision of this Agreement, after reasonable construction so as to give meaning to all provisions of this Agreement and the Rules, conflicts with the Rules promulgated by the Board, the Rules of the Board prevail.

**\*\*REMAINDER OF PAGE INTENTIONALLY LEFT BLANK\*\***



IN WITNESS WHEREOF, this Agreement has been signed in quadruplicate originals by the undersigned duly authorized representatives, in the presence of the undersigned competent witnesses, on the dates indicated below.

WITNESSES:

FRYMASTER, LLC

(1) [Signature]  
Signature

By: [Signature]  
Signature

Mark C. Lavier  
Printed Name

Todd Phillips  
Printed Name

(2) [Signature]  
Signature

Title: V.P. - N. Managing Director

Hvnetha Cain  
Printed Name

Date: 2/13/2020

WITNESSES:

LOUISIANA DEPARTMENT OF  
ECONOMIC DEVELOPMENT

(1) Hand Usie  
Signature

Hand Usie  
Printed Name

By: [Signature]  
Don Pierson, Secretary or Anne Villa,  
Undersecretary

Date: 02-19-2020

(2) Frank Fusco  
Signature

Frank Fusco  
Printed Name

LED CONTRACT MONITOR

Kristin Cheng  
Signature

Kristin Cheng  
Printed Name

**EXHIBIT 1**

(Company Authorizing Resolution)

**FRYMASTER, L.L.C.**

**JOINT ACTION OF MEMBER AND DIRECTORS  
IN LIEU OF ANNUAL MEETING**

The undersigned, constituting all of the duly elected and acting directors of Frymaster L.L.C., a Louisiana Limited Liability Company (the "Company"), do hereby consent to and adopt the following resolutions with the same force and effect as if presented to and adopted at a meeting of the Board of Directors of the Company.

**RESOLVED**, that the President, the General Manager, any Vice President, the Secretary, or Assistant Secretary, be, and each of them hereby is, authorized and empowered, in the name and on behalf of the Company, to execute a contract for Exemption of Ad Valorem Taxes with the State of Louisiana and related documents upon such terms and conditions as shall be appropriate and advisable, consistent with the intent of this resolution, and, his approval to be conclusively evidenced by his execution and delivery thereof.

**IN WITNESS WHEREOF**, the undersigned have caused this Joint Action to be executed as of this 18th day of February 2020.

**MEMBER:**

ENODIS GROUP HOLDINGS U.S., INC.

By: 

Joel H. Horn  
Vice President and Secretary

**DIRECTORS:**

  
William C. Johnson

  
Martin D. Agard

  
Joel H. Horn

## NOTICE OF ACTION

Notice is hereby given to the Louisiana Department of Economic Development (“Department”) of the following action by [INSERT ENTITY NAME] pursuant to §503(H)(1) of the Industrial Tax Exemption Program Rules:

\_\_\_\_\_ Industrial Tax Exemption Application #20190285-ITE has been placed on the agenda for a public meeting of [INSERT ENTITY NAME], notice of which is attached hereto, thus hereby requesting an additional 30 days to take action on the Application.

\_\_\_\_\_ [INSERT ENTITY NAME] has conducted a public meeting on Industrial Tax Exemption Application #20190285-ITE and voted to **APPROVE** the Application.

\_\_\_\_\_ [INSERT ENTITY NAME] has conducted a public meeting on Industrial Tax Exemption Application #20190285-ITE and voted to **DENY** the Application.

### **NOTICE OF THIS ACTION MUST BE GIVEN TO THE DEPARTMENT WITHIN THREE BUSINESS DAYS**

Recommended methods of sending notice:

1. Via email to [ITEP@la.gov](mailto:ITEP@la.gov)
2. Via facsimile transmission to (225) 342-0142; Attn: Kristin Cheng
3. Via overnight delivery with tracking to:

Louisiana Economic Development  
c/o Kristin Cheng  
617 N. 3<sup>rd</sup> St.  
11<sup>th</sup> Floor  
Baton Rouge, LA 70802