



Saskatoon Regional Economic Development Authority (SREDA)
Suite 103, 202 Fourth Avenue N | Saskatoon, SK

MEMO

TO: Mike Voth, Director of Corporate Revenue
City of Saskatoon

FROM: Nevine Booth, Chair
SREDA Board of Directors

RE: Axiom Industries Ltd. Business Development Incentive Application Review

DATE: October 3rd, 2019

The Saskatoon Regional Economic Development Authority's Board of Directors reviewed the tax incentive application from Axiom Industries Ltd. (Axiom) and has determined that it meets the eligibility requirements of the City of Saskatoon Business Development Incentives Policy, C09-014 with the exception of 3.3 (a) [The applicant must be a legally incorporated entity]. Axiom is a limited partnership, registered in the Province of Saskatchewan on August 4, 1994. Axiom is not a corporation, but should not be precluded from receiving the business development incentive on this basis as it clearly fulfills the intention of the policy for companies to initiate business expansion in Saskatoon through investment and job creation, as demonstrated below.

Axiom is a manufacturer and distributor of hydronic products including glycol feed systems, water filtration products, condensate neutralizers, water demineralizers, and PEX tubing organizers. Axiom is owned by a group of seven Saskatchewan holding companies, with all of the owners having extensive experience in the HVAC industry and acting as advisors to the Company.

Axiom's assets consist of inventory, manufacturing tools and machinery, temporary storage (sea cans), a 26,000 sq.ft. building at 3603 Burrton Avenue and 1.39 acres of property at 3615 Burrton Avenue. The new expansion project will be an investment of \$2.7 million in the construction of a 15,750 sq. ft. warehouse on the 3615 Burrton Avenue property. This expansion will allow Axiom to expand production to meet increasing demand and allow for a larger inventory of finished goods. Axiom currently has 20 full-time equivalent (FTE) employees and plans to add at least 5 new FTE positions, including an engineer and/or technician for research and development work, additional assembly people and a social media marketing person.

The Saskatoon Regional Economic Development Authority's Board of Directors approved the following resolution on October 3, 2019:

Recommendations

THAT the Board of Directors approves the recommendation by the Incentive Review Committee for SREDA to submit the Axiom Industries Ltd. Business Development Incentive Application to the City of Saskatoon for approval.

The Board's recommendations are forwarded to City Council for consideration and approval. A summary of the tax abatement application from Axiom is attached for reference, along with the Eligibility Criteria Checklist.

A handwritten signature in blue ink, appearing to read 'N. Booth', is written over a horizontal line.

Nevine Booth
Chair, Board of Directors
SREDA