



155 Commerce Expansion

Section I: Applicant Background Information

Applicant Information - Company Receiving Benefit

| | |
|--|--|
| Project Name | 155 Commerce Dr. Expansion |
| Applicant Name | Iroquois Bar Corp. |
| Applicant Address | 155 Commerce Dr. |
| Applicant Address 2 | |
| Applicant City | Lackawanna |
| Applicant State | New York |
| Applicant Zip | 14218 |
| Phone | 716-270-0433 |
| Fax | 716-824-5313 |
| E-mail | TSaia@IroquoisBar.Com |
| Website | www.IroquoisBar.Com |
| Federal ID# | |
| NAICS Code | 332312 - All other specialty trade contractors |
| Will a Real Estate Holding Company be utilized to own the Project property/facility | Yes |
| What is the name of the Real Estate Holding Company | Tomahawk Management LLC |
| Federal ID# | |
| State and Year of Incorporation/Organization | New York - 2016 |
| List of stockholders, members, or partners of Real Estate Holding Company | Thomas D. Saia |

Individual Completing Application

| | |
|------------------|------------------|
| Name | Thomas D. Saia |
| Title | President |
| Address | 155 Commerce Dr. |
| Address 2 | |
| City | Lackawanna |
| State | New York |
| Zip | 14218 |

| | |
|---------------|-----------------------|
| Phone | 716-270-0433 |
| Fax | 716-824-5313 |
| E-Mail | TSaia@IroquoisBar.Com |

Company Contact (if different from individual completing application)

Name Dave Lichner
Title Controller
Address 155 Commerce Dr.
Address 2
City Lackawanna
State New York
Zip 14218
Phone 716-270-0433
Fax 716-824-5313
E-Mail DLichner@IroquoisBar.Com

Company Counsel

Name of Attorney Alan Laurita
Firm Name Hodgson Russ
Address 140 Pearl St.
Address 2
City Buffalo
State New York
Zip 14202
Phone 716-856-4000
Fax
E-Mail ALaurita@hodgsonruss.com

Identify the assistance being requested of the Agency

Exemption from Sales Tax Yes
Exemption from Mortgage Tax Yes
Exemption from Real Property Tax Yes
Tax Exempt Financing* No

* (typically for not-for-profits & small qualified manufacturers)

Business Organization

Type of Business Corporation
Type of Ownership MBE
Year Established 1999
State of Organization New York

List all stockholders, members, or partners with % of ownership greater than 20%

Please include name and % of ownership.

Thomas D. Saia - 100%

Applicant Business Description

Describe in detail company background, products, customers, goods and services. Description is critical in determining eligibility

Iroquois Bar was started in 1999 by Thomas Saia and enrolled Seneca as a rebar fabricator and installer. Throughout the years, Iroquois has added products and services. Iroquois now owns and operates 40 heavy trucks (20 concrete mixers, 17 dumps and 3 tractors). Iroquois also has a general construction division that primarily performs select demolition and concrete placement. Most recently Iroquois has performed interior carpentry work including drywall and millwork. Iroquois is signatory to multiple local unions including teamsters, ironworkers, laborers, carpenters, finishers, and plumbers and steamfitters. Iroquois primarily performs work on publicly funded projects and has most recently worked on jobs like Roswell Park, HARBORcenter, Riverbend, Oshei Children's Hospital and Conventus. As we have expanded the variety of services we offer and the quantity of each service we have run out of room in our office and maintenance shop, thus the reason for our need to expand. A small sample of our customers include the following: LP Ciminelli, JW Danforth, LeChase, Union Concrete, Oakgrove Construction, Quackenbush, University at Buffalo, Army Corps of Engineers and Buffalo Crushed Stone.

| | |
|---|----|
| Estimated % of sales within Erie County | 85 |
| Estimated % of sales outside Erie County but within New York State | 15 |
| Estimated % of sales outside New York State but within the U.S. | 0 |
| Estimated % of sales outside the U.S. | 0 |

(*Percentage to equal 100%)

What percentage of your total annual supplies, raw materials and vendor services are purchased from firms in Erie County? Include list of vendors, raw material suppliers and percentages for each. Provide supporting documentation of the estimated percentage of local purchases

Iroquois purchases most of our raw materials from firms in Erie County. Our concrete and aggregate supplier is Buffalo Crushed Stone. We purchase our fuel for our trucks from NOCO in Tonawanda. Our rebar is purchased from Upstate Rebar in Cheektowaga and Klein Reinforcing in Spencerport (Monroe County). All of the trucks we have purchased came from Kenworth of Buffalo or Fleet Maintenance both Erie County dealerships.

Section II: Eligibility Questionnaire - Project Description & Details

Project Location

Municipality or Municipalities of current operations

City of Lackawanna

Will the Proposed Project be located within a Municipality identified above?

Yes

In which Municipality will the proposed project be located

City of Lackawanna

Address

155 Commerce Dr.

Will the completion of the Project result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state OR in the abandonment of one or more plants or facilities of the project occupant located within the state?

No

If the Proposed Project is located in a different Municipality than that Municipality in which current operations are being undertaken, is it expected that any of the facilities in any other Municipality will be closed or be subject to reduced activity?

No

(If yes, you will need to complete the Retail Section of this application)

SBL Number for Property upon which proposed Project will be located

141.07-4-8.112

What are the current real estate taxes on the proposed Project Site

New York

Assessed value of land

\$150,000

Assessed value of building(s)

\$330,000

Are Real Property Taxes current?

Yes

If no please explain

NA

Town/City/Village of Project Site

City of Lackawanna

School District of Project Site

Lackawanna

Does the Applicant or any related entity currently hold fee title to the Project site?

Yes

If No, indicate name of present owner of the Project Site

NA

Does Applicant or related entity have an option/contract to purchase the Project site?

Yes

Describe the present use of the Proposed Project site

Main office and headquarters for Iroquois Bar Corp.

Please provide narrative of the proposed project and the purpose of the proposed project (new build, renovations, and/or equipment purchases). Identify specific uses occurring within the project. Describe any and all tenants and any/all end users: (This information is critical in determining project eligibility)

The proposed project is an expansion of our existing facility. Iroquois has been expanding in recent years and has run out of office space and has become inefficient with our warehouse space. With this addition we are taking over some of the existing shop space and converting it into offices for 5 people. The rest of the existing shop space will then be freed up to give more room for our existing rebar fabrication and manufacturing operation. We are then putting on an addition that will increase our fabrication, warehouse and maintenance areas. The new space will be designed for to improve efficiency and productivity.

If the Project could be undertaken without Financial Assistance provided by the Agency, then provide a statement in the space provided below indicating why the Project should be undertaken by the Agency:

As a small minority owned business, Iroquois is always struggling to gain market-share to be able to compete in our market segments. Also, as Iroquois has been expanding we need to conserve capital so they we can afford payroll and manage cash-flow. We have put off this expansion for years for due to the cost of the expansion. We have finally decided to try to undertake the expansion because we can no longer expand due to the size of our current facility.

Describe the reasons why the Agency's Financial Assistance is necessary and how the Financial Assistance enables the company to undertake the Project to facilitate investment, job creation and/or job retention. Focus on competitiveness issues, project shortfalls, etc... Your eligibility determination will be based in part on your answer (attach additional pages if necessary)

Without financial assistance, Iroquois would need to spend all available capital on the new facility and could not use that capital to fund updating equipment and additional payroll. Financial assistance will give us financial stability and the ability to continue to grow into our new expanded areas. We currently have people working out of temporary trailers in cramped spaces. It is very difficult for them to be productive in this environment and we are worried about employee retention due to this currently restrictive environment. Our growth is stunted at this point until the expansion occurs.

Please confirm by checking the box, below, if there is likelihood that the Project would not be undertaken but for the Financial Assistance provided by the Agency

Yes

If the Applicant is unable to obtain Financial Assistance for the Project, what will be the impact on the Applicant and Erie County?

Without financial assistance, the size and scope of our expansion would be greatly diminished and further delayed. In the past 3 years we have added 6 full time employees and invested in equipment. Without this assistance on this project, the company could no longer continue this trend. The company would need to focus on the facility expansion OR the company's growth. With assistance from the ECIDA, we can continue to grow the company, its staff and its investment into equipment.

Will project include leasing any equipment?

No

If yes, please describe equipment and lease terms.

NA

Site Characteristics

Will the Project meet zoning/land use requirements at the proposed location?

Yes

Describe the present zoning/land use

Commercial / Industrial

Describe required zoning/land use, if different

Same - No Change

If a change in zoning/land use is required, please provide details/status of any request for change of zoning/land use requirements

NA

Is the proposed Project located on a site where the known or potential presence of contaminants is complicating the development/use of the property?

No

If yes, please explain

NA

Has a Phase I Environmental Assessment been prepared, or will one be prepared with respect to the proposed Project Site?

Yes

If yes, please provide a copy.

Have any other studies, or assessments been undertaken with respect to the proposed Project Site that indicate the known or suspected presence of contamination that would complicate the site's development?

No

If yes, please provide copies of the study.

If you are purchasing new machinery and equipment, does it provide demonstrable energy efficiency benefits?

NA

You may also attach additional information about the machinery and equipment at the end of the application.

Does or will the company or project occupant perform research and development activities on new products/services at the project location?

No

If yes, please explain.

NA

What percentage of annual operating expenses are attributed to the above referenced research and development activities?

NA

Select Project Type for all end users at project site (you may check more than one)

Will customers personally visit the Project site for either of the following economic activities? If yes with respect to either economic activity indicated below, complete the Retail Determination contained in Section IV of the Application.

Please check any and all end uses as identified below.

Retail Sales No **Services** Yes

For purposes of this question, the term "retail sales" means (i) sales by a registered vendor under Article 28 of the Tax Law of the State of New York (the "Tax Law") primarily engaged in the retail sale of tangible personal property (as defined in Section 1101(b)(4) (i) of the Tax Law), or (ii) sales of a service to customers who personally visit the Project.

- | | | |
|--|------------------------|---|
| Yes Manufacturing | No Multi-Tenant | No Mixed Use |
| No Acquisition of Existing Facility | Yes Commercial | No Facility for the Aging |
| No Housing | Yes Back Office | No Civic Facility (not for profit) |
| No Equipment Purchase | No Retail | No Other |

Project Information

Estimated costs in connection with project

Land and/or Building Acquisition

\$ 0 square feet acres

New Building Construction

\$ 0 square feet

New Building addition(s)

\$ 800,000 13,6000 square feet

Infrastructure Work

\$ 20

Renovation

\$ 50,000 500 square feet

Manufacturing Equipment

\$ 0

Non-Manufacturing Equipment: (furniture, fixtures, etc.)

\$ 25,000

Soft Costs: (professional services, etc.)

\$ 25,000

Other Cost

\$ 0

Explain Other Costs

Total Cost

\$ 920,000

Project Refinancing; estimated amount (for refinancing of existing debt only)

\$ 0

Have any of the above costs been paid or incurred as of the date of this Application?

Yes

If Yes, describe particulars:

Sources of Funds for Project Costs:

Equity (excluding equity that is attributed to grants/tax credits):

\$ 0

Bank Financing:

\$ 1,200,000

Tax Exempt Bond Issuance (if applicable):

\$ 0

Taxable Bond Issuance (if applicable):

\$ 0

Public Sources (Include sum total of all state and federal grants and tax credits):

\$ 0

Identify each state and federal grant/credit:

Total Sources of Funds for Project Costs:

\$1200000.00

Has a financing preapproval letter or loan commitment letter been obtained?

Yes

Mortgage Recording Tax Exemption Benefit:

Estimated Mortgage Amount (Sum total of all financing – construction and bridge).

*Amount of mortgage, if any, that would be subject to mortgage recording tax.

\$ 1,200,000

Lender Name, if Known

First Niagara / Key Bank

Estimated Mortgage Recording Tax Exemption Benefit (product of Mortgage Amount as indicated above multiplied by 1%):

\$12000.00

Construction Cost Breakdown:

Total Cost of Construction

\$ 920,000 (sum of 2,3,4,5, and/or 7 in Question K, above)

Cost for materials

\$ 600,000

% sourced in Erie County

70%

% sourced in State

20% (including Erie County)

Gross amount of costs for goods and services that are subject to State and local sales and use tax- said amount to benefit from the Agency's sales and use tax exemption benefit

\$ 600,000

Estimated State and local Sales and Use Tax Benefit (product of 8.75% multiplied by the figure, above):

\$ 52,500

Real Property Tax Benefit:

Identify and describe if the Project will utilize a real property tax exemption benefit OTHER THAN the Agency's PILOT benefit:

NA

For proposed facility please include # of sq ft for each of the uses outlined below

| | | Cost | % of Total Cost |
|--------------------------|-------------------|------------|-----------------|
| Manufacturing/Processing | 7,000 square feet | \$ 473,529 | 52 |
| Warehouse | 5,000 square feet | \$ 338,235 | 37 |
| Research & Development | 0 square feet | \$ 0 | 0 |
| Commercial | 0 square feet | \$ 0 | 0 |
| Retail | 0 square feet | \$ 0 | 0 |
| Office | 1,600 square feet | \$ 108,235 | 12 |
| Specify Other | 0 square feet | \$ 0 | 0 |

If you are undertaking new construction or renovations, are you seeking LEED certification from the US Green Building Council?

No

If you answered yes to question above, what level of LEED certification do you anticipate receiving? (Check applicable box)

<BLANK>

Provide estimate of additional construction cost as a result of LEED certification you are seeking

0

Will project result in significant utility infrastructure cost or uses

No

What is your project timetable (Provide dates)

Start date : acquisition of equipment or construction of facilities

11/1/2016

End date : Estimated completion date of project

5/15/2017

Project occupancy : estimated starting date of operations

5/15/2017

Have construction contracts been signed?

Yes

Have site plans been submitted to the appropriate planning department for approval?

Yes

Has the Project received site plan approval from the appropriate planning department?

Yes

Is project necessary to expand project employment?

Yes

Is project necessary to retain existing employment?

Yes

Employment Plan (Specific to the proposed project location):

| | Current # of jobs at proposed project location or to be relocated at project location | IF FINANCIAL ASSISTANCE IS GRANTED – project the number of FTE and PT jobs to be RETAINED | IF FINANCIAL ASSISTANCE IS GRANTED – project the number of FTE and PT jobs to be CREATED upon TWO years after Project completion | Estimate number of residents of the Labor Market Area in which the Project is located that will fill the FTE and PT jobs to be created upon TWO Years after Project Completion ** |
|------------------|--|--|---|--|
| Full time | 65 | 10 | 2 | -63 |
| Part time | 2 | 0 | 1 | -1 |
| Total | 67 | 10 | 3 | |

** The Labor Market Area includes the Counties of Erie, Niagara, Genesee, Cattaraugus, Wyoming and Chautauqua. For the purposes of this question, please estimate the number of FTE and PT jobs that will be filled, as indicated in the third column, by residents of the Labor Market Area, in the fourth column.

***By statute, Agency staff must project the number of FTE jobs that would be retained and created if the request for Financial Assistance is granted. Agency staff will project such jobs over the TWO Year time period

following Project completion. Agency staff converts PT jobs into FTE jobs by dividing the number of PT jobs by two (2). This estimate, based on information provided above, will be included within the PILOT worksheet in the additional documents section.

Salary and Fringe Benefits for Jobs to be Retained and Created:

| Category of Jobs to be Retained and Created | Average Salary | Average Fringe Benefits |
|--|-----------------------|--------------------------------|
| Management | \$ 55,000 | \$ 8,750 |
| Professional | \$ 75,000 | \$ 9,000 |
| Administrative | \$ 45,000 | \$ 8,500 |
| Production | \$ 45,000 | \$ 8,500 |
| Independent Contractor | \$ 0 | \$ 0 |
| Other | \$ 0 | \$ 0 |

Employment at other locations in Erie County: (provide address and number of employees at each location):

| Address | NA | NA | NA |
|------------------|-----------|-----------|-----------|
| Full time | 0 | 0 | 0 |
| Part time | 0 | 0 | 0 |
| Total | 0 | 0 | 0 |

Will any of the facilities described above be closed or subject to reduced activity?

No

Payroll Information

Annual Payroll at Proposed Project Site

\$ 3,200,000

Estimated average annual salary of jobs to be retained

\$ 60,000

Estimated average annual salary of jobs to be created

\$ 60,000

Estimated salary range of jobs to be created

From \$ 40,000 **To** \$ 85,000

Is the project reasonably necessary to prevent the project occupant from moving out of New York State?

No

If yes, please explain and identify out-of-state locations investigated

NA

What competitive factors led you to inquire about sites outside of New York State?

NA

Have you contacted or been contacted by other Local, State and/or Federal Economic Development Agencies?

No

If yes, please indicate the Agency and nature of inquiry below

NA

Do you anticipate applying for any other assistance for this project?

Yes

If yes, what type of assistance (Historic Tax Credits, 485(a), Grants, Utility Loans, Energy Assistance, Workforce Training)

NYS Linked Deposit Program, Workforce Training Through Local Labor Unions

Section III: Facility Type - Single or Multi Tenant

Is this a Single Use Facility or a Multi-Tenant Facility?

Multi-Tenant Facility

For Single Use Facility

Occupant Name

Address

Contact Person

Phone

Fax

E-Mail

Federal ID #

SIC/NAICS Code

Multi-Tenant Facility

Please explain what market conditions support the construction of this multi-tenant facility

Expanding construction market in WNY area. All tenants are construction companies

Have any tenant leases been entered into for this project?

No

If yes, please fill out a tenant form in section VII, for each tenant.

| Tenant Name | Current Address (city, state, zip) | # of sq ft and % of total to be occupied at new projet site | SIC or NAICS-also briefly describe type of business, products services, % of sales in Erie Co. |
|--------------------|---|--|---|
|--------------------|---|--|---|

Section VI: Inter-Municipal Move Determination

The Agency is required by state law to make a determination that, if completion of a Project benefiting from Agency Financial Assistance results in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state, Agency financial Assistance is required to prevent the project occupant from relocating out of the state, or is reasonably necessary to preserve the project occupant's competitive position in its respective industry.

Will the project result in the removal of an industrial or manufacturing plant of the Project occupant from one area of the state to another area of the state? No

Will the project result in the abandonment of one or more plants or facilities of the Project occupant located within the state? No

If Yes to either question, explain how, notwithstanding the aforementioned closing or activity reduction, the Agency's Financial Assistance is required to prevent the Project from relocating out of the State, or is reasonably necessary to preserve the Project occupant's competitive position in its respective industry:

NA

Does this project involve relocation or consolidation of a project occupant from another municipality or abandonment of an existing facility?

Within New York State No

Within Erie County No

If Yes to either question, please, explain NA

Will the project result in a relocation of an existing business operation from the City of Buffalo?

No

If yes, please explain the factors which require the project occupant to relocate out of the City of Buffalo (For example, present site is not large enough, or owner will not renew leases etc.)

NA

What are some of the key requirements the project occupant is looking for in a new site? (For example, minimum sq. ft., 12 foot ceilings, truck loading docs etc.)

NA

If the project occupant is currently located in Erie County and will be moving to a different municipality within Erie County, has the project occupant attempted to find a suitable location within the municipality in which it is currently located?

Yes

What factors have lead the project occupant to consider remaining or locating in Erie County?

We are staying at our current location in Erie County and expanding. The decision to expand was come to after we could not locate another location to move into that suited our needs.

If the current facility is to be abandoned, what is going to happen to the current facility that project occupant is located in?

NA

Please provide a list of properties considered, and the reason they were not adequate. (Some examples include: site not large enough, layout was not appropriate, did not have adequate utility service, etc.) Please include full address for locations.

NA

Section VII: Adaptive Reuse Projects

| | |
|--|---------|
| Are you applying for tax incentives under the Adaptive Reuse Program? | No |
| What is the age of the structure (in years)? | 0 |
| Has the structure been vacant or underutilized for a minimum of 3 years? (Underutilized is defined as a minimum of 50% of the rentable square footage of the structure being utilized for a use for which the structure was not designed or intended) | <BLANK> |
| If vacant, number of years vacant. | 0 |
| If underutilized, number of years underutilized. | 0 |
| Describe the use of the building during the time it has been underutilized: | |
| Is the structure currently generating insignificant income? (Insignificant income is defined as income that is 50% or less than the market rate income average for that property class) | <BLANK> |
| If yes, please provide dollar amount of income being generated, if any | \$ |
| Does the site have historical significance? | <BLANK> |
| Are you applying for either State/Federal Historical Tax Credit Programs? | Yes |
| If yes, provide estimated value of tax credits | \$ |
| Briefly summarize the financial obstacles to development that this project faces without ECIDA or other public assistance. Please provide the ECIDA with documentation to support the financial obstacles to development (you will be asked to provide cash flow projections documenting costs, expenses and revenues with and without IDA and other tax credits included indicating below average return on investment rates compared to regional industry averages) | |
| Briefly summarize the demonstrated support that you intend to receive from local government entities. Please provide ECIDA with documentation of this support in the form of signed letters from these entities | |
| Please indicate other factors that you would like ECIDA to consider such as: structure or site presents significant public safety hazard and or environmental remediation costs, site or structure is located in a distressed census tract, structure presents significant costs associated with building code compliance, site has historical significance, site or structure is presently delinquent in property tax payments | |

Section VIII: Senior Citizen Rental Housing Projects

Are you applying for tax incentives under the Senior Rental Housing policy?

No

Has the project received written support from the city, town or village government in which it is located?

<BLANK>

Describe the location of the project as it relates to the project's proximity to the town / village / city center or to a recognized hamlet.

Is the project consistent with the applicable municipal master plan?

<BLANK>

If yes, please provide a narrative identifying the master plan (by name) and describing how the project aligns with the plan details

Does the project advance efforts to create a walkable neighborhood and community in proximity to important local amenities and services?

<BLANK>

If yes, please provide a narrative describing the walkable nature of the project including access seniors would have to specific neighborhood amenities.

Has a market study shown that there is a significant unmet need in the local community or specific neighborhood where seniors are unable to find appropriate housing opportunities?

<BLANK>

Is the project located in an area (defined as a 1 – 5 mile radius of the project site) where there are significant local resident populations that are at or below the median income level?

<BLANK>

If yes, please describe how you made this determination based upon census tract and other relevant third party data.

Does the project provide amenities that are attractive to seniors and differentiates the project from standard market rate housing?

<BLANK>

If yes, please describe these amenities (examples may include: community rooms, social / recreational activity areas, senior-oriented fixtures and safety amenities, security systems, call systems, on site medical services)

Are there impediments that hinder the ability to conventionally finance this project and /or negatively impact the project's return on investment?

<BLANK>

If yes, please briefly summarize the financial obstacles to development that this project faces without IDA or other public assistance. Please provide the IDA with documentation to support the financial obstacles to development (you will be asked to provide cash flow projections documenting costs, expenses and revenues with and without IDA and other tax credits included indicating below average return on investment rates compared to regional industry averages)

Will the project target (and maintain during the incentive period) a minimum 50% occupancy rate of senior citizens whose income is at or below 60-80% of the median income for Erie County?

<BLANK>

If yes, please describe provide a narrative citing key facts that substantiate this finding.

Section IX: Retail Determination

Will any portion of the project (including that portion of the costs to be financed from equity or other sources) consist of facilities or property that are or will be primarily used in making sales of goods or services to customers who personally visit the project site? No

If yes, complete the Retail Questionnaire Supplement below.

What percentage of the cost of the project will be expended on such facilities or property primarily used in making sales of goods or services to customers who personally visit the project? 0 %

If the answer to this is **less than 33%** do not complete the remainder of the page and proceed to the next section (Section V: Inter-Municipal Move Determination).

If the answer to A is Yes AND the answer to Question B is greater than 33.33%, indicate which of the following questions below apply to the project:

Will the project be operated by a not-for-profit corporation? <BLANK>

Is the project location or facility likely to attract a significant number of visitors from outside the economic development region (Erie, Niagara, Allegheny, Chautauqua and Cattaraugus counties) in which the project will be located? <BLANK>

If yes, please provide a third party market analysis or other documentation supporting your response.

Is the predominant purpose of the project to make available goods or services which would not, but for the project, be reasonably accessible to the residents of the municipality? Are services provided at the proposed project site needed because of a lack of reasonably accessible retail trade facilities offering such goods or services? <BLANK>

If yes, please provide a market analysis supporting your response.

Will the project preserve permanent, private sector jobs or increase the overall number of permanent private sector jobs in the State of New York? <BLANK>

If yes, explain

Is the project located in a Highly Distressed Area? <BLANK>