



## Aakron Rule Expansion 2017

### Section I: Applicant Background Information

#### Applicant Information - Company Receiving Benefit

<b>Project Name</b>	Aakron Rule Expansion 2017
<b>Applicant Name</b>	Devin Piscitelli
<b>Applicant Address</b>	8 Indianola Ave
<b>Applicant Address 2</b>	
<b>Applicant City</b>	Akron
<b>Applicant State</b>	New York
<b>Applicant Zip</b>	14001
<b>Phone</b>	7165425483
<b>Fax</b>	7165421537
<b>E-mail</b>	Dpiscitelli@aakronline.com
<b>Website</b>	aakronline.com
<b>Federal ID#</b>	.....
<b>NAICS Code</b>	321999
<b>Will a Real Estate Holding Company be utilized to own the Project property/facility</b>	No
<b>What is the name of the Real Estate Holding Company</b>	Not Applicable
<b>Federal ID#</b>	.....
<b>State and Year of Incorporation/Organization</b>	1,967
<b>List of stockholders, members, or partners of Real Estate Holding Company</b>	Not Applicable

#### Individual Completing Application

<b>Name</b>	Chris Sullivan
<b>Title</b>	Process Development Manager
<b>Address</b>	8 Indianola Ave
<b>Address 2</b>	
<b>City</b>	Akron
<b>State</b>	New York
<b>Zip</b>	14001

**Phone**

716-542-5483

**Fax**

716-542-1537

**E-Mail**

Csullivan@aakronrule.com

Company Contact (if different from individual completing application)

**Name**

**Title**

**Address**

**Address 2**

**City**

**State** New York

**Zip**

**Phone**

**Fax**

**E-Mail**

Company Counsel

**Name of Attorney** Doug Dimitroff

**Firm Name** Phillips Lytle LLP

**Address** 125 Main Street

**Address 2**

**City** Buffalo

**State** New York

**Zip** 14203

**Phone** 716-847-8400

**Fax** 716-825-6100

**E-Mail** DDimitroff@phillipslytle.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**

**Year Established** 1967

**State of Organization** New York

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

**Please include name and % of ownership.**

Devin I. Piscitelli 50% Danielle I. Robillard 50%

## Applicant Business Description

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

This year marks the 50 year anniversary for Aakron Rule. The company first began making wood products such as rulers, yardsticks and pencils. Our business quickly grew and we eventually started to manufacture more items in house, and thus, the injection molding side of our business began. Being able to control the manufacturing of nearly 40% of the items we sell has allowed us to quickly be recognized as a leader in the promotional items industry. Many of our wood products are found in schools and hardware stores all over the country. Any student taking a standardized test is probable using one of our pencils for recording purposes. Walk into any hardware store and there's a good chance that the paint stick you get is manufactured right here in Akron, NY. Our clients are always looking for the latest and greatest items that sets them apart for their competitors. Our original molded items consisted of key tags and license plate holders. Today we offer numerous drink ware items such as our 17 oz. stadium cups, sports bottles, wine glasses and PET bottles. Our designs and ability to offer numerous color choices and mood changing options has allowed us to gain brand recognition. We have grown significantly as a result of this and understand that to continue to offer clients these items we need to expand and modernize. The majority of our products are distributed to the U.S., with less than 2% of our sales overseas. With over 800 items it's easy for someone to find that special something for their event that will help grab everyone's attention. Our products are unique as we have always focused on achieving that WOW factor. Whether we are trying to reinvent the wheel or just make it better, Aakron is committed to offering the best product we possibly can. There is no order too big or too small that we won't handle. Our top priority is customer satisfaction, this has been the philosophy since day 1.

<b>Estimated % of sales within Erie County</b>	1
<b>Estimated % of sales outside Erie County but within New York State</b>	1
<b>Estimated % of sales outside New York State but within the U.S.</b>	96
<b>Estimated % of sales outside the U.S.</b>	2

(\*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**

All of our vendors and raw materials are purchased from firms located outside of Erie County.

**Section II: Eligibility Questionnaire - Project Description & Details**

Project Location

**Municipality or Municipalities of current operations**

Akron

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

Yes

**In which Municipality will the proposed project be located**

Akron

**Address**

8 Indianola Ave

**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**

47.07-2-13.211

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

\$17,451.61

**Assessed value of land**

\_\_\_\_\_ \$ 76,000

**Assessed value of building(s)**

\_\_\_\_\_ \$524,000

**Are Real Property Taxes current?**

Yes

**If no please explain**

**Town/City/Village of Project Site**

Village of Akron

**School District of Project Site**

Akron Central Schools

**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**

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

No

**Describe the present use of the Proposed Project site**

Warehouse

**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)**

Our current warehouse, which is located at 3 Oak Street is being looked at as the area of expansion. We have enough land around this building to expand the warehouse and build a new state of the art molding facility. These are both areas that we have greatly outgrown in the past few years. Our current warehouse is 12,000 sq.ft. We want to put an addition on that adds another 9,000 sq.ft. on the side of this building bringing the total warehouse space to 20,500 sq.ft with 500 sq.ft of this space used as an office area. This area is responsible for housing all or products that are manufactured in house as well as domestically and internationally. We have out grown this area and find ourselves displacing product to other buildings which has made it difficult to shuttle stock to and from the printing department. Tracking the inventory levels of our items that are spread out throughout numerous buildings has also made it very difficult. A much larger warehouse and an updated racking system would eliminate a lot of running back and forth between locations as well as making the physical strain these jobs take on our workers much more manageable. Our current molding area that is located at 59 Hoag ave is 9,000 sq.ft. We want to build a 16,000 sq.ft. addition off the back of the current warehouse located at 3 Oak Street that would have 15,500 sq.ft dedicated to molding and 500 sq.ft to office space. We would need to update all our auxiliary equipment for our molding department as well as new electric molding machines valued at over \$300,000 each. New equipment is necessary to help us not only become more energy efficient, but also improve our production capabilities. Our molding division has taken off significantly in the last few years. We have been taking on some rather large quantity orders and our limited space and production capabilities has made it very difficult to satisfy all customers within a specified time frame. Although we have satisfied all orders placed, we feel that improvements to this area will allow us to run much smoother now and in the future.

**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:**

A relief in financial assistance would allow us to properly upgrade our departments and make these jobs easier to perform on a daily basis. This project could be categorized as a need and not a want. This assistance would be facilitating a growth in business and the hire and creation of new and existing jobs.

**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)**

We have continued to grow as a company and have seen significant signs that our products manufactured in NYS are received very well by our customers. An expansion in our molding division would allow us to create numerous jobs and positions that are necessary to meet the demands of our customers. We anticipate hiring a new assistant mold manager, a new maintenance manager, 6-8 laborers in this department as well as 2 warehouse personal and a COO who would be responsible for the daily operations in NY.

**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?**

We have another plant located in Bakewell, Tennessee that is capable of sustaining immediate expansion. The state of Tennessee, Hamilton Count and the EPB have offered incentives to shift our manufacturing and printing operations to this location. These incentives would help alleviate such expansion costs as well as any specialized training that would take place and the purchase of new equipment as well as transportation of existing equipment. If assistance is not awarded in NY and find ourselves expanded in TN, 25 jobs would be shifted to TN along with our molding department.

**Will project include leasing any equipment?**

No

**If yes, please describe equipment and lease terms.**

Site Characteristics

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

Yes

**Describe the present zoning/land use**

Industrial, Warehouse

**Describe required zoning/land use, if different**

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

**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**

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

No

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?**

New molding equipment that would be purchased have gone to electric rather than hydraulic machines. These machines are much more accurate and use less energy to operate. Upgrades to our auxiliary equipment would also become more efficient. These new electric machines also use less oil to operate which in turn means less fossil fuels are being consumed.

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?**

Yes

If yes, please explain.

Through social media and research into shopping trends we have identified what items are trending now and in the near future. We can acknowledge these items and design 3d prototypes that can be printed on our in house 3d printer before money is invested into the purchase or acquisition of molds. Once these items have been identified we must design tooling that would allow our operators to print on them. Some of this tooling requires weeks of design and manufacturing. Our new product manager is responsible for attending trade shows and other manufacturing facilities to research future items that could either be bought or produced and sold to our customers. Some of these factories are domestically while most are overseas. Often times, many new ideas are presented to us from our sales team, both inside out outside sales groups. Many of our customers inquire about items that they are looking for or have been asked about through their client. Through this form of research we gather what questions are

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

5%

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.

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



## Warehouse

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)**

\$ 1,250,000 25,000 square feet

**Infrastructure Work**

\$ 200,000

**Renovation**

\$ 265,000 square feet

**Manufacturing Equipment**

\$ 500,000

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

\$ 100,000

**Soft Costs: (professional services, etc.)**

\$ 25,000

**Other Cost**

\$ 330,000

**Explain Other Costs**

training, moving equipment, security systems, cameras

**Total Cost**

\$ 2,670,000

**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:**

\$2,500 Survey work through Apex Consulting

Sources of Funds for Project Costs:

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

\$

**Bank Financing:**

\$ 2,670,000

**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:**

\$2,670,000

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

No

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.**

\$ 2,620,000

**Lender Name, if Known**

Key Bank

**Estimated Mortgage Recording Tax Exemption Benefit (% of estimated mortgage amount stated above):**

\$19,650

Construction Cost Breakdown:

**Total Cost of Construction**

\$ 1,715,000 (sum of 2,3,4,5, and/or 7 in Question K, above)

**Cost for materials**

\$ 1,000,000

**% sourced in Erie County**

100%

**% sourced in State**

100% (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**

\$ 1,100,000

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

\$ 96,250

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:**

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

		<b>Cost</b>	<b>% of Total Cost</b>
<b>Manufacturing/Processing</b>	15,500 square feet	\$ 775,000	62
<b>Warehouse</b>	8,500 square feet	\$ 425,000	34
<b>Research &amp; Development</b>	square feet	\$ 0	0
<b>Commercial</b>	square feet	\$ 0	0
<b>Retail</b>	square feet	\$ 0	0
<b>Office</b>	1,000 square feet	\$ 50,000	4

Specify Other

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

Will project result in significant utility infrastructure cost or uses

Yes

What is your project timetable (Provide dates)

Start date : acquisition of equipment or construction of facilities

4/1/2017

End date : Estimated completion date of project

10/1/2017

Project occupancy : estimated starting date of operations

10/1/2017

Have construction contracts been signed?

No

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

No

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

No

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	142	142	13	13
Part time	6	6	0	0
<b>Total</b>	<b>148</b>	<b>148</b>	<b>13</b>	

\*\* 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).

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

<b>Category of Jobs to be Retained and Created</b>	<b>Average Salary</b>	<b>Average Fringe Benefits</b>
<b>Management</b>	\$ 41,860	\$ 13,459
<b>Professional</b>	\$ 86,781	\$ 25,387
<b>Administrative</b>	\$ 100,000	\$ 25,665
<b>Production</b>	\$ 23,400	\$ 8,684
<b>Independent Contractor</b>	\$ 0	\$ 0
<b>Other</b>	\$ 53,231	\$ 16,047

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

<b>Address</b>	<b>2&amp;3 Oak street</b>	<b>59 hoag</b>	<b>8 Indianola</b>
<b>Full time</b>	51	27	64
<b>Part time</b>	2	1	3
<b>Total</b>	53	28	67

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

Yes

Payroll Information

**Annual Payroll at Proposed Project Site**

\$ 34,736

**Estimated average annual salary of jobs to be retained**

\$ 34,736

**Estimated average annual salary of jobs to be created**

\$ 32,368

**Estimated salary range of jobs to be created**

**From** \$ 30,000 **To** \$ 34,736

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

Yes

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

As previously stated, we have another plant in Bakewell, TN. We have contacted the Tennessee Valley Authority, the EPB, and state and local agencies that would assist in this project were we to shift this division of the company to TN. The Tennessee Valley Authority and the EPB have been working together to get our electrical rates lowered so that it would be competing with our current KW charge in Akron. Combining numerous accounts and adding a substantial amount of energy consumption to our account would significantly lower our rates. Joe Cadle and Steven Hiatt from TN have been working closely on this project with Devin and myself and have been able to offer Aakron Rule a training grant in the amount of \$24,000 plus there is an Economic Development grant in the works that is approaching \$250,000.

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

Location in which we could expand and erect a building, cost of building and also wages that would need to be paid between NY and TN. Our current location in NY is broken up by 5 different buildings that makes it very difficult to travel between locations. Our property in TN is situated on 5 acres that allows us to build next to our current production plants that eliminates this problem. Construction cost are significantly higher in NY than TN. One of the major reasons is a result of our climate and the time frame in which construction would begin. Manufacturing of the building and it's components are typically produced in the Carolina's and then shipped north. Obviously this distance adds to the freight cost of shipping. Differences in labor costs and insurance coverage plays a significant factor in building cost associated with a project of this magnitude. More importantly, we are all aware of the NYS minimum wage increase that has been in effect for the last year and the direction it will be going. Tennessee does not have a state mandated minimum wage but rather they follow the federal wage requirements. Currently the federal minimum wage is \$7.25/hour as compared to \$9.70 in NYS.

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

Yes

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

We have been awarded a \$500,000 excelsior tax grant from the State of NY through the Empire State Development Program.

**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)**

Workforce training grants, Construction loans, Utility loans,

**Section III: Facility Type - Single or Multi Tenant**

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

Single Use Facility

For Single Use Facility

**Occupant Name**                   Aakron Rule  
**Address**                            3 Oak Street  
**Contact Person**               Chris Sullivan  
**Phone**                               716-542-5483  
**Fax**                                   716-542-1537  
**E-Mail**                              csullivan@aakronrule.com  
**Federal ID #**  
**SIC/NAICS Code**                321999

Multi-Tenant Facility

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

**Have any tenant leases been entered into for this project?**

<BLANK>

**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.
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 **Section IV: Tenant Information**



## **Section V: Environmental Questionnaire**

### General Background Information

**Address of Premises** 8 Indianola Ave 2 Oak St 3 Oak St 59 Hoag Ave

**Name and Address of Owner of Premises** Devin I Piscitelli Danielle I Robillard

#### **Describe the general features of the Premises (include terrain, location of wetlands, coastlines, rivers, streams, lakes, etc.)**

Our property is either occupied by buildings used for manufacturing, printing, warehouse, or office. There is parking lots situated around these locations. Our 5 acres that are currently undeveloped are used by a local farmer that grows corn.

#### **Describe the Premises (including the age and date of construction of any improvements) and each of the operations or processes carried out on or intended to be carried on at the Premises**

8 Indianola Ave - Offices Built around 1850 and was originally owned and operated by the Akron Plaster Company which was later sold to the Rochester Button Company. This building currently stands as our headquarters. 2 Oak St - Printing This building was built in 1984 and has always been used as a printing facility for our products that are made domestically or purchased overseas. 3 Oak St - Warehouse This build was erected in 2000, and has always served as our warehouse for our products. 59 Hoag Ave - Manufacturing This building was established in 1972 by the company to facilitate the manufacturing of our wood products and our molding division. Our wood products are cut to size and shaped to the item being sold.

#### **Describe all known former uses of the Premises**

8 Indianola Ave. was used as an old manufacturing building for plaster and our buttons. All other buildings on the premises have been built new once expansion took place over the years.

#### **Does any person, firm or corporation other than the owner occupy the Premises or any part of it?**

No

#### **If yes, please identify them and describe their use of the property**

#### **Have there been any spills, releases or unpermitted discharges of petroleum, hazardous substances, chemicals or hazardous wastes at or near the Premises?**

No

#### **If yes, describe and attach any incident reports and the results of any investigations**

#### **Has the Premises or any part of it ever been the subject of any enforcement action by any federal, state or local government entity, or does the preparer of this questionnaire have knowledge of: a) any current federal, state or local enforcement actions; b) any areas of non-compliance with any federal, state or local laws, ordinances, rules or regulations associated with operations over the past 12 months?**

No

#### **If yes, please state the results of the enforcement action (consent order, penalties, no action, etc.) and describe the circumstances**

#### **Has there been any filing of a notice of citizen suit, or a civil complaint or other administrative or criminal procedure involving the Premises?**

No

#### **If yes, describe in full detail**

### Solid And Hazardous Wastes And Hazardous Substances

#### **Does any activity conducted or contemplated to be conducted at the premises generate, treat or dispose of any petroleum, petroleum-related products, solid and hazardous wastes or hazardous substances?**

No

#### **If yes, provide the Premises' applicable EPA (or State) identification number**

#### **Have any federal, state or local permits been issued to the Premises for the use, generation and/or storage of solid and hazardous wastes?**

No

#### **If yes, please provide copies of the permits.**

**Identify the transporter of any hazardous and/or solid wastes to or from the Premises**

Environmental Service Group INC 177 Wales Ave Tonawanda NY 14150 716-695-0161

**Identify the solid and hazardous waste disposal or treatment facilities which have received wastes from the Premises for the past two (2) years**

Environmental Service Group INC 177 Wales Ave Tonawanda NY 14150 716-695-0161

**Does or is it contemplated that there will occur at the Premises any accumulation or storage of any hazardous wastes on-site for disposal for longer than 90 days?**

No

**If yes, please identify the substance, the quantity and describe how it is stored**

Discharge Into Waterbodies

**Briefly describe any current or contemplated industrial process discharges (including the approximate volume, source, type and number of discharge points). Please provide copies of all permits for such discharges**

**Identify all sources of discharges of water, including discharges of waste water, process water, contact or noncontact cooling water, and stormwater. Attach all permits relating to the same. Also identify any septic tanks on site**

All of our water is used for temperature regulation of our molds and machines. We have hired ChemAqua to test our water and submit these findings to the state of NY for compliance. Our records will show such approval.

**Is any waste discharged into or near surface water or groundwaters?**

No

**If yes, please describe in detail the discharge including not only the receiving water's classification, but a description of the type and quantity of the waste**

Air Pollution

**Are there or is it contemplated that there will be any air emission sources that emit contaminants from the Premises?**

No

**If yes, describe each such source, including whether it is a stationary combustion installation, process source, exhaust or ventilation system, incinerator or other source**

**Are any of the air emission sources permitted?**

No

**If yes, attach a copy of each permit.**

Storage Tanks

**List and describe all above and under ground storage tanks at the Premises used to store petroleum or gasoline products, or other chemicals or wastes, including the contents and capacity of each tank. Please also provide copies of any registrations/permits for the tanks**

2 gas tanks located near our current molding area 2 - 300 gallon tanks 1 diesel tank located in the parking lot of 59 Hoag ave 1 - 500 gallon tank All permits and inspection records are kept with Noco Energy who is responsible for filling and inspecting our tanks.

**Have there been any leaks, spills, releases or other discharges (including loss of inventory) associated with any of these tanks?**

No

**If yes, please provide all details regarding the event, including the response taken, all analytical results or reports developed through investigation (whether internal or external), and the agencies which were involved**

Polychlorinated Biphenyls ("PCB" or "PCBs") And Asbestos

**Provide any records in your possession or known to you to exist concerning any on-site PCBs or PCB equipment, whether used or stored, and whether produced as a byproduct of the manufacturing process or otherwise.**

**Have there been any PCB spills, discharges or other accidents at the Premises?**

No

**If yes, relate all the circumstances**

**Do the Premises have any asbestos containing materials?**

No

**If yes, please identify the materials**

## 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:**

**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**

**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.)**

**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.)**

Minimum 24,000 sq.ft. of molding and warehouse space. Staging area for the molding room which would consolidate the current method of shipments from duplicate locations into 1 building. 33' ceilings would help with the installation and removal of molds into our machines. The added ceiling height would facilitate our need for air conditioning in our building much easier than our current location. More loading docks that would allow us the ability to load or unload trucks simultaneously.

**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?**

No

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

Akron has been our home base for 50 years. Many of our employees have been here their entire life. These same employees have children and grandchildren who are employed by Akron Rule.

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

The current molding facility will become our print shop area that is currently located in another building. This will allow us to keep the manufacturing, printing and shipping of our wood products under one roof. The building that currently houses our print shop will allow other printing departments to expand and purchase newer equipment that will result in new jobs being created.

**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.**

We have 5 acres located on the other side of the train tracks behind our current lumber yard. This area would have been ideal to erect whatever size building we needed, however, once we investigated what it would take to get utilities to this location the cost was just too much. Even though the distance between this proposed site that would house our warehouse and our printing building would have been quite far, it provided us the opportunity to erect 3 buildings that could keep everything under one roof. The preliminary cost to set this location up for expansion was approaching \$200k. We also need approval from National Grid who owns the easement that we would use as a access point to the 5 acres. Since there are also supply lines that run parallel to this property, purchasing a neighboring piece of property so that emergency vehicles could avoid traveling under these power lines would have cost additional money as well. What we ended up finding was that the 5 acre parcel of land we own in the Town of Newstead is pretty much useless.

**Section VII: Adaptive Reuse Projects**

<b>Are you applying for tax incentives under the Adaptive Reuse Program?</b>	No
<b>What is the age of the structure (in years)?</b>	17
<b>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)</b>	No
<b>If vacant, number of years vacant.</b>	0
<b>If underutilized, number of years underutilized.</b>	0
<b>Describe the use of the building during the time it has been underutilized:</b>	NA
<b>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)</b>	No
<b>If yes, please provide dollar amount of income being generated, if any</b>	\$
<b>Does the site have historical significance?</b>	No
<b>Are you applying for either State/Federal Historical Tax Credit Programs?</b>	No
<b>If yes, provide estimated value of tax credits</b>	\$
<b>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)</b>	
<b>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</b>	
<b>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</b>	

## **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>