



**APPLICATION TO  
HERKIMER COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
FOR FINANCIAL ASSISTANCE**

**I. APPLICANT INFORMATION:**

**Company Name:** Northern Safety Co, Inc. and Salvatore Longo Realty, LLC  
**Address:** 232 Industrial Park Dr, Frankfort, NY 13340 - Physical  
 PO Box 4250, Utica, NY 13504-4250  
**Product/Services:**  
**Phone No.:** 315-793-4910 **Fax No.:** 315-793-4928  
**Email Address:** neil@northernsafety.com  
**Fed ID No.:** 16-1214814 & 45-5357198 **NAICS Code:** 423990  
**Contact Person/Title:** Neil Sexton, President

**Principal Owners/Officers/Directors:**

**(list owners with 15% or more in equity holdings with percentage ownership)**

Northern Safety Co, Inc. - Ownership is	Salvatore Longo Realty - Ownership is	
100% by Wurth Group	100% by Salvatore A Longo	

*Corporate Structure (attach schematic if Applicant is a subsidiary or otherwise affiliated with another entity)*

**Form of Entity:**

- ☒ Corporation
- ☐ Partnership (General \_\_\_\_\_ or Limited \_\_\_\_\_; number of general partners \_\_\_\_\_ and, if applicable, number of limited partners).
- ☒ Limited Liability Company/Partnership (number of members 1).
- ☐ Sole Proprietorship

**If a corporation, partnership, limited liability company/partnership:**

**Date of establishment** Northern Safety - 11/1/83, SL Realty - 05/02/12

**Place of organization** New York State

**If a foreign organization, is the Applicant authorized to do business in the State of New York?** \_\_\_\_\_.

## APPLICANTS' COUNSEL

**Name:** Woods, Oviatt, Gilman, LLP  
**Address:** 700 Crossroads Building 2 State Street  
 Rochester, New York 14614  
**Phone No.:** 585-987-2800  
**Telefax No.:**

## **II. PROJECT INFORMATION**

### **A) Describe the proposed project, acquisition, construction or reconstruction in as much detail as possible.**

The existing structure is being re-developed with approximately \$ 3.2 million dollars of improvements in order to provide Northern Safety with much needed office and personnel space as it continues to grow. Approximately 55 associates will be transferred to the building from the following departments: Web and Application Development ,Business Intelligence, Customer Resource Group, Product Development, and the Advertising and Marketing Group. The renovations will also include new state of the art video and photography studios and two creative meeting rooms. This will free up office space, training, and meeting rooms at Northern Safety's main office facility as it continues to expand its national sales force. In 2016, Northern Safety has hired 13 new sales personnel and plans to add 75 - 100 additional sales people over the next 5 years. While approx one-half of these new hires are inside sales reps which will reside in the greater Utica area, other outside sales reps may reside outside the area. This group will be returning to Utica continuously for ongoing training programs, corporate meetings, and attending to Company business. They will also be staying in hotels, dining and entertaining in the area. The initial training period for new Sales hires is 6 -12 weeks.

### **B) Project Description (check all applicable)**

- ☒ **Manufacturing**
- ☒ **Warehousing/Distribution**
- ☐ **Tourism Destination Facility**
- ☐ **Retail**
- ☒ **Other – Specify** OFFICE

### **C) Name of all sub-lessees or other occupants of the facility:**

None  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

### **D) Principals of any sub-lessee or occupant.**

None  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

### III. COST BENEFIT ANALYSIS:

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#### **A) Project Cost (Estimates) (where applicable)**

1. Land	\$ 850000
2. Building	\$
3. Renovation Costs	\$ 4196065
4. Machinery and Equipment	\$ 509912
5. Soft Costs	\$ 191391
6. Legal Costs	\$
7. Other (specify)	\$

Total Estimated Project Amount \$ 5747368

*Revised*  
*4-25-2017*

#### **B) FINANCING (Source of funds where applicable)**

Bank	\$ 2,300,000
Private Funds Invested	\$ 3,447,368
Industrial Revenue Bond	\$ N/A
Other	\$ N/A
Total (should equal III. A)	\$ 5,747,368

#### **C) Financial Assistance Requested (Proposed Benefit Estimates) (Please note n/a in any line where you are not seeking assistance)**

Type of Financing: ☐ Tax-Exempt ☐ Taxable ☐ Straight Lease

Amount of Bonds Requested: \$ N/A

Amount of New Mortgage (s) required for project: \$ 2300000

Project-Related Costs Subject to Sales Tax: \$ 1700000

#### **Estimated Value of Tax Exemptions:**

- |   |           |
|---|-----------|
| 1. NYS Sales and Compensating Use Tax<br>(State 4% - Local 4.25% = Total 8.25%)                     | \$ 140250 |
| 2. Mortgage Recording Taxes<br>(1% of total proposed mortgage amount)                               | \$ 23000  |
| 3. Real Property Tax Exemptions<br>(the Agency will assist with this estimation<br>at your request) | \$ 5225   |
| 4. Estimated interest savings on Issuance by the<br>Agency of Industrial Revenue Bonds              | \$ N/A    |

Total Estimated Value of Tax Exemptions \$ 168475



## D) Employment Information/Job Creation

Please provide the current number of existing full time and part time jobs.

F/T 447 P/T 37

(please attach a list of current employees)

Please provide an estimated number of jobs to be retained as a result of this project.

F/T 447 P/T 37

Please provide an estimated number of full time and part time jobs that will be created as a result of this project.

F/T 25 P/T         

Please provide the total number of full time and part time jobs you anticipate to be employed upon completion of this project.

F/T 447 P/T 37

Please provide the average estimated annual salary of jobs to be created as a result of this project.

65,000

Please provide the annualized salary range of jobs to be created. From \$ 50,000 To \$ 70,000

Please provide the average annual salary of jobs to be retained. 48,000

Please note any proposed fringe benefits for jobs to be created by job title.

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E) Estimate how many construction jobs will be created as a result of this Project: 18

## V. PROJECT LOCATION/UTILITIES/IMPACT

- A) **Project Address:** 126 Industrial Park Drive  
Frankfort, NY 13340
- B) **Are Utilities on Site**  
**Water** Yes **Electric** Yes  
**Gas** Yes **Sanitary/Storm Sewer** Yes
- C) **Present legal owner of the site** Salvatore Longo Realty, LLC.
- D) **Zoning of Project Site: Current:** commercial **Proposed:** commercial.
- E) **Are any variances needed:** No.
- F) **Principal use of Project upon completion:** Office Space and light manufacturing.
- G) **Will the Project result in the removal of a plant or facility of the Applicant from one area of the State of New York to another?** No.
- H) **Will the Project result in the removal of a plant or facility of another proposed occupant of the Project from one area of the State of New York to another area of the State of New York?** No.
- I) **Will the Project result in the abandonment of one or more plants or facilities located in the State of New York?** No.

If you answered yes to G-H or I please indicate whether the project is reasonably necessary for the company to maintain its competitive position in the industry. Please explain in detail. Attach supporting documentation.

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## VI. REPRESENTATIONS BY THE APPLICANT

The Applicant understands and agrees with the Agency as follows:

- A.) **Job Listings.** In accordance with Section 858-b(2) of the New York General Municipal Law, the Applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, except as otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the Project will be listed with the New York State Department of Labor Community Services Division (the "DOL") and with the administrative entity (collectively with the DOL, the "JTPA Entities") of the service delivery area created by the federal job training partnership act (Public Law 97-300) ("JTPA") in



which the Project is located. The IDA encourages to the fullest extent possible, the hiring of local labor for all construction projects.

- B.) **Annual Sales Tax Filings.** In accordance with Section 874(8) of the New York General Municipal Law, the Applicant understands and agrees that, if the Project receives any sales tax exemptions as part of the Financial Assistance from the Agency. In accordance with Section 874(8) of the General Municipal Law, the Applicant agrees to file, or cause to be filed, with the New York State Department of Taxation and Finance, the annual form prescribed by the Department of Taxation and Finance, describing the value of all sales tax exemptions claimed by the Applicant and all consultants or subcontractors retained by the Applicant. A copy of such form should be provided to the Agency annually upon submission to the State.
- C.) **Sales Tax Tracking.** The Applicant understands and agrees that, if the Project receives any sales tax exemptions as part of the Financial Assistance that they will submit to the Agency, a quarterly tracking form (form will be provided) listing all sales tax savings incurred to allow for the Agency to monitor and report to the State as required.
- D.) **Recapture of Benefits.** The Applicant understands and agrees that the benefits received from tax abatements/exemptions shall be subject to recapture in accordance with the Agency's tax exemption policy. The Agency reserves the right to include in the transaction documents the recapturing of the total value of real property/sales tax exemptions approved for a Project if any of the following conditions arise:
- a. The Project Facility as defined in the PILOT/Lease Agreement is sold or closed and the Applicant leaves or departs Herkimer County.
  - b. There is a significant change in the use of the Project Facility and/or business activities of the Applicant.
  - c. There is a significant reduction in the number of full/part-time jobs at the Project Facility in comparison to what was estimated in the Applicant's Project Application that are not reflective of the Applicant's normal business cycle or national economic conditions.
  - d. The Applicant fails to fully comply with all periodic and/or annual reporting requirements of the Agency, State or Federal government.
  - e. The Applicant failed to achieve any minimal new job creation figures specified by and within the time frames specified by the Agency
- E.) **Annual Employment Reports.** The Applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, the Applicant agrees to file, or cause to be filed, with the Agency, on an annual basis, reports regarding the number of people employed at the project site in addition to any additional project information as may be required. The Chief Executive Office shall submit to the Agency prior to February 1<sup>st</sup> of each year, a written certification setting forth:
- a. Number of full time and part time employees at the Project location as of the last date of the prior year
  - b. Number of construction jobs created as a result of the Project
- F.) **Absence of Conflicts of Interest.** The Applicant has received from the Agency a list (see page 10) of the members, officers and employees of the Agency. No member, officers or employee of the Agency has an interest, whether direct or indirect, in any transaction contemplated by this Application, except as hereinafter described:
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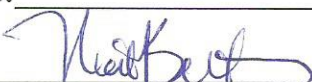
**VII. FINANCIAL INFORMATION (attach the following):**

1. Financial Statements for the last three fiscal years.
2. Proforma balance sheet as at start of operations at project site.
3. Projected profit and loss statements for first two years of operation at project site.
4. Projected "cash flow" statement, by quarters, for first year of operation at project site.

The Applicant and the individual executing this Application on behalf of the applicant acknowledge that the Agency will rely on the representations made herein when acting on this application and hereby represent that the statements made herein do not contain any untrue statement of a material fact and do not omit to state a material fact necessary to make the statements contained herein not misleading.

Applicant: Northern Safety Co. Inc and Salvatore Longo Realty LLC

Date: June 23, 2016

By:  - President & Co

Name: Neil Sexton

Title: President

*Rec'd 6/27/16*

This Application should be submitted with a \$250.00 Application Fee to Herkimer County Industrial Development Agency, 420 E. German Street, Suite 101A, Herkimer, New York 13350, to the attention of Stephen R. Smith, Executive Director. The Agency will collect ½ (one-half) of its Project Fee at the time of the signing of an inducement agreement. The final half of the Agency fee will be payable at which time the HCIDA takes title to the Facility, or upon issuance of bonds. The applicant will also be responsible for all HCIDA legal fees related to this project. Should your company for any reason decide to withdraw this application for financial assistance after submission but prior to completion, you will be responsible for any legal fees involved to that point. In addition the Agency will assess a fee for services rendered and costs incurred.

*Agency fees will be assessed at up to 1% of the total project cost.*

The Agency will assess your company an annual administration fee in the form of rent under the Lease Agreement in the amount of \$500.00.

*"This institution is an equal opportunity provider and employer"*