



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

RECEIVED FEB 18 2021

**I. APPLICANT INFORMATION: ALL CONFIDENTIAL**

Company Name:

Address:

Product/Services:

Phone No.:

Email Address:

Fed ID No.:

Contact Person/Title:

Principal Owners/Officers/Directors: **CONFIDENTIAL**

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

_____	_____	_____
_____	_____	_____
_____	_____	_____

*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 <sup>1</sup>\_\_\_\_\_).
- ☐ Sole Proprietorship

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

Date of establishment To be formed \_\_\_\_\_.Place of organization New York \_\_\_\_\_.If a foreign organization, is the Applicant authorized to do business in the State of New York? N/A \_\_\_\_\_.

**APPLICANTS' COUNSEL****Name:****Address:****Phone No.:****Telefax No.:****II. PROJECT INFORMATION****A) Describe the proposed project, acquisition, construction or reconstruction in as much detail as possible, along with a timeline.**

Purchase 47.94 acres of vacant land at the Schuyler Business Park from the Herkimer County IDA, construct a 195,000± square foot distribution center with the ability to add up to an additional 400,000 square feet to the existing building as needed. The building will be a single-story structure with up to 30 dock doors and loading docks and will include office space, restrooms, break room and meeting room. The project will include construction of all infrastructure, driveways, sidewalks, parking lot and landscaping to service the building as well as purchase and installation of furniture, fixtures and equipment in the building. Preliminary engineering and design work is already underway, and the Applicant desires construction to commence in May 2021 with a projected completion date of December 2021.

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

- ☐ Manufacturing  
☒ Warehousing/Distribution  
☐ Tourism Destination Facility  
☐ Retail  
☐ Other – Specify \_\_\_\_\_

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

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

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

**III. COST BENEFIT ANALYSIS:****A) Project Cost (Estimates) (where applicable)**

1. Land	\$ 719,100
2. Building	\$ 11,175,900
3. Renovation Costs	\$ N/A
4. Machinery and Equipment	\$ 1,705,000
5. Soft Costs	\$ 1,380,000
6. Legal Costs	\$ 20,000
7. Other (specify)	\$ N/A
<b>Total Estimated Project Amount</b>	<b>\$ 15,000,000</b>

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

Bank	\$ 11,100,000
Private Funds Invested	\$ 1,500,000
Industrial Revenue Bond	\$ N/A
Other	\$ 2,400,000
<b>Total (should equal III. A)</b>	<b>\$ 15,000,000</b>

**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: \$ 13,500,000

Project-Related Costs Subject to Sales Tax: \$ 5,000,000

**Estimated Value of Tax Exemptions:**

1. NYS Sales and Compensating Use Tax (State 4% + Local 4.25% = Total 8.25%)	\$ 412,500
2. Mortgage Recording Taxes (1% of total proposed mortgage amount)	\$ 135,000
3. Real Property Tax Exemptions (the Agency will assist with this estimation at your request)	\$ 1,220,000
4. Estimated interest savings on Issuance by the Agency of Industrial Revenue Bonds	\$ N/A

**Total Estimated Value of Tax Exemptions** \$ 1,767,500

**D) Employment Information/Job Creation**

*The Agency recommends the following standard when reporting **FTE – Full Time Equivalent** jobs: Full-time equivalent is a ratio that compares the number of hours worked during a pay period by an employee to the number of work hours during the pay period that equates to full time employment. For example, an employee who works hours equal to full time is 1.0 FTE. An employee who works half the hours of full time employment is 0.5 FTE, while an employee that works one-third the hours of full time employment would be considered .3 FTE. Please contact the Agency for assistance if needed.*

Please provide the current number of existing jobs.

FTE <sup>0</sup> \_\_\_\_\_ (please attach a list of current employees)

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

FTE <sup>0</sup> \_\_\_\_\_

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

FTE <sup>33</sup> \_\_\_\_\_

Please provide the total number of jobs you anticipate upon completion of this project.

FTE <sup>33</sup> \_\_\_\_\_

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

\$37,500 \_\_\_\_\_

Please provide the annualized salary range of jobs to be created. From \$ 30,000 To \$ 90,000

Please provide the average annual salary of jobs to be retained. \_\_\_\_\_

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

Employees will be eligible for group health benefits including medical, dental, vision, life insurance, 401k and profit sharing.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**E) Estimate number of construction jobs to be used for this Project: FTE <sup>20</sup> \_\_\_\_\_**

**F) Other Public Benefits:**

N/A

#### IV. PROJECT LOCATION/UTILITIES/IMPACT

- A) **Project Address:** Schuyler Business Park  
Herkimer, NY
- B) **Are Utilities on Site**  
**Water** No **Electric** No  
**Gas** No **Sanitary/Storm Sewer** No
- C) **Present legal owner of the site** Herkimer County Industrial Development Agency.
- D) **Zoning of Project Site: Current:** Planned Development **Proposed:** Planned Development.
- E) **Are any variances needed:** Unknown.
- F) **Principal use of Project upon completion:** Distribution & Warehouse Center.
- 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?** Yes; tenant leases facilities in Oneida County and in Oswego County
- I) **Will the Project result in the abandonment of one or more plants or facilities located in the State of New York?** No, except as noted in H above.  
**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.**  
The tenant currently leases multiple locations for warehousing which causes inefficiencies in distribution and incurs additional costs to move product to/from each location. The leased spaces are less than ideal configurations resulting in damaged product and additional space requirements, and limits the number of outgoing shipments per day. The tenant needs to correct these inefficiencies in order to remain competitive and grow.  
We have been looking for suitable warehousing space for several years but there is nothing available in the immediate or surrounding area.  
Our goal is to house all finished goods in one state-of-the-art distribution center, to support our current business and growth expected over the next several years.  
We have positioned the warehouse on the property so up to an additional 400,000 square feet can be added as our business needs increase.  
Tenant will terminate its leases at the various warehouse locations, but the new facility will not result in the removal of tenant's headquarters. Based on tenant's exhaustive search for warehouse space we are confident the landlords will easily locate suitable tenants to take possession of the spaces.

#### V. 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 equivalent employees at the Project location as of the last date of the prior year
  - b. Number of construction jobs during the fiscal year 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:

NONE

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**VI. 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.

**ALL CONFIDENTIAL**

Submit this application with a general application fee of \$500.00. If this application is for Market Rate Housing Benefits, please submit \$1,500.00 which includes a non-refundable application fee of \$500.00 and a commitment fee of \$1,000.00 that will be applied at closing; if the project does not close the \$1,000.00 is not refundable. Make check payable to: Herkimer County Industrial Development Agency, 420 E. German Street, Suite 101A, Herkimer, New York 13350, to the attention of John J. Piseck, Jr., 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 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 \$750.00.

**Please call 315-866-3000 with any questions**

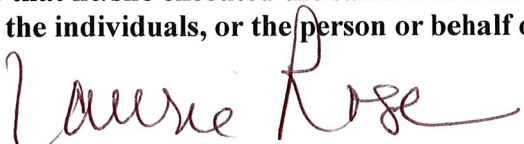
*"This institution is an equal opportunity provider, employer and lender"*

**HOLD HARMLESS AGREEMENT**

Applicant hereby releases the Herkimer County Industrial Development Agency and the members, officers, servants, agents and employees thereof (the "Agency") from, agrees that the Agency shall not be liable for and agrees to indemnify, defend and hold the Agency harmless from and against any and all liability arising from expense incurred by (A) the Agency's examination and processing of, and action pursuant to or upon, the attached Application, regardless of whether or not the Application or the Project described therein or the tax exemptions and other Assistance requested therein are favorably acted upon by the Agency, (B) the Agency's acquisition, construction and/or installation of the Project described therein and (C) any further action taken by the Agency with respect to the Project; including without limiting the generality of the foregoing, all causes of action and attorneys' fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing.

STATE OF NEW YORK    )  
COUNTY OF Herkimer ss.:

On the 17 day of February, in the year 2021, before me, the undersigned a Notary Public in and for said State, personally appeared \_\_\_\_\_ personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individuals, or the person or behalf of which the individuals acted, executed this instrument.

  
\_\_\_\_\_  
Notary Public

LAURIE ROSE  
Notary Public, State of New York  
Appointed in Herkimer County  
Reg. No. 01MU6070216  
Commission Exp. Aug. 12, 2022