

# **APPLICATION FOR TAX INCENTIVES**

## **TOWN OF CONCORD INDUSTRIAL DEVELOPMENT AGENCY**

Town of Concord Industrial Development Agency  
86 Franklin Street  
Springville, New York 14141

**ELIGIBILITY QUESTIONNAIRE**

**Section I: Applicant Background Information**

Please answer all questions. Use "None" or "Not Applicable" where necessary. Information in this application may be subject to public review under New York State Law.

**A) Applicant Information-entity receiving benefit:**

Total Project Amount: \_\_\_\_\_

Applicant Name: \_\_\_\_\_

Applicant Address: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

Website: \_\_\_\_\_ E-mail: \_\_\_\_\_

Federal ID#: \_\_\_\_\_

**B) Individual Completing Application:**

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

E-Mail: \_\_\_\_\_

**C) Company Contact (if different from individual completing application):**

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

E-Mail: \_\_\_\_\_

**D) Company Counsel:**

Name of Attorney: \_\_\_\_\_

Firm Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

E-mail: \_\_\_\_\_

**E) Identify the assistance being requested of the Agency:**

- 1. Exemption from Sales Tax  Yes or  No
- 2. Exemption from Mortgage Tax  Yes or  No
- 3. Exemption from Real Property Tax  Yes or  No
- 4. Assignment/Assumption of existing PILOT benefits  Yes or  No

**F) Business Organization (check appropriate category):**

- Corporation  Partnership
- Public Corporation  Joint Venture
- Sole Proprietorship  Limited Liability Company

Other (please specify) \_\_\_\_\_

Year Established: \_\_\_\_\_

State in which Organization is established: \_\_\_\_\_

**G) List all Stockholders, members, or partners with % of ownership greater than 20%:**

<u>Name</u>	<u>% of ownership</u>
_____	_____
_____	_____
_____	_____

**H) Business Description:**

Describe in detail company background, products, customers, goods and services: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Estimated % of sales outside Erie County: \_\_\_\_\_

Estimated % of sales outside New York State: \_\_\_\_\_

Estimated % of sales outside the U.S. \_\_\_\_\_

**I) What percentage of your total annual supplies, raw materials and vendor services are purchased from firms in Erie County. (You may be asked to provide supporting documentation of the estimated percentage of local purchases.)**

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

**ELIGIBILITY QUESTIONNAIRE**

**Section II: Project Description & Details**

**A) Location of proposed project facility:**

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

SBL Number: \_\_\_\_\_

\* If available please include a copy of current tax bill.

Town/City/Village: \_\_\_\_\_ School District: \_\_\_\_\_

Present Project Site Owner: \_\_\_\_\_

**B) Please provide a brief narrative of the project description:**

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

**C) Site Characteristics:**

Is the proposed project site located on a site where the known or potential presence of contaminants is complicating the development/use of the property?  Yes or  No. If yes, please explain: \_\_\_\_\_

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

**D)** Has a Phase I Environmental Assessment been prepared or will one be prepared with respect to the proposed project site?  Yes or  No If yes, please provide a copy.

**E)** Have any 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?

Yes or  No. If yes, please provide copies of the study

**F)** Will project include leasing any equipment  Yes or  No . If yes please describe equipment and lease terms: \_\_\_\_\_

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

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

Yes or  No. If yes, please attach additional documentation describing the efficiencies achieved.

H) Does or will company perform substantial research and development activities on new products/services at the project Location?  Yes or  No If yes, please explain: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

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

J) Explain in detail why IDA participation is necessary for this project to proceed. Focus on competitiveness issues, project shortfalls, etc. (attach additional pages if necessary): \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**K) Project Information:**

**Estimated costs in connection with project:**

Land and/or Building Acquisition: \$ \_\_\_\_\_  
 \_\_\_\_\_ acres \_\_\_\_\_ square feet  
 New Building Construction: \_\_\_\_\_ square feet \$ \_\_\_\_\_  
 New Building Addition(s): \_\_\_\_\_ square feet \$ \_\_\_\_\_  
 Existing Building Renovation: \_\_\_\_\_ square feet \$ \_\_\_\_\_  
 Manufacturing Equipment: \$ \_\_\_\_\_  
 Non-Manufacturing Equipment (furniture, fixtures, etc.): \$ \_\_\_\_\_  
 Soft Costs: (professional services, etc.): \$ \_\_\_\_\_  
 Other, Specify: \_\_\_\_\_ \$ \_\_\_\_\_  
 TOTAL: \$ \_\_\_\_\_

Project refinancing: estimated amount  
 (for refinancing of existing industrial revenue bond debt only) \$ \_\_\_\_\_

**L) Select Project Type (you may check more than one):**

Industrial	<input type="checkbox"/>	Back Office	<input type="checkbox"/>
Multi-Tenant	<input type="checkbox"/>	Civic Facility (not for profit)	<input type="checkbox"/>
Mixed Use	<input type="checkbox"/>	Equipment Purchase	<input type="checkbox"/>
Commercial	<input type="checkbox"/>	Retail	<input type="checkbox"/>
Acquisition of Existing Facility	<input type="checkbox"/>	Facility for Aging	<input type="checkbox"/>

Other, please explain \_\_\_\_\_

SIC Code: \_\_\_\_\_

NAICS Code: \_\_\_\_\_

**M) For proposed facility please indicate # of sq ft for each of the uses outlined below:**

Manufacturing/Processing \_\_\_\_\_

Warehouse \_\_\_\_\_

Research & Development \_\_\_\_\_

Commercial \_\_\_\_\_

Retail \_\_\_\_\_

Office \_\_\_\_\_

Other (specify) \_\_\_\_\_

**N) Utilities and services presently serving site. Provide name of utility provider:**

Gas: \_\_\_\_\_

Electric: \_\_\_\_\_ Power: \_\_\_\_\_

Water: \_\_\_\_\_ Size: \_\_\_\_\_

Sewer: \_\_\_\_\_ Size: \_\_\_\_\_

Other (Specify) \_\_\_\_\_

**O)** If you are undertaking new construction or renovations, are you seeking LEED certification from the US Green Building Council?  Yes or  No.

**P)** If you answered yes to question above, what level of LEED certification do you anticipate receiving (Check applicable box)  Standard  Silver  Gold  Platinum

**Q) What is your project timetable (Provide dates):**

1. Start date: acquisition or construction of facilities: \_\_\_\_\_

2. Completion of project facilities: \_\_\_\_\_

3. Project occupancy – estimated starting date of operations: \_\_\_\_\_

**R)** Have site plans been submitted to the appropriate planning department for approval?  Yes or  No.. If yes, submit a copy of approval with application.

**S)** Have any expenditures already been made by the company?  Yes or  No. If yes, indicate particulars.  
**(AIDA benefits do not apply to expenses incurred prior to Board approval):** \_\_\_\_\_

**T) PLEASE CHECK ONLY ONE:**

Is project necessary to expand project employment?

Is project necessary to retain existing employment?

**U) Employment Plan (Specific to project location):**

	Current # of Jobs	Total # of jobs 2 years after project completion
Full time		
Part Time		
Total		

**V) Payroll Information:**

Estimated Annual Payroll at Project Site: \$ \_\_\_\_\_

Estimated Average Annual Salary of Jobs to be Retained \$ \_\_\_\_\_

Estimated Average Annual Payroll of Jobs to be Created \$ \_\_\_\_\_

Estimated Salary Range of Jobs to be Created: From: \$ \_\_\_\_\_ To \$ \_\_\_\_\_

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

Yes or  No. If yes, please explain and identify out-of-state locations investigated.

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**X) Were you offered financial assistance to locate outside of New York State?  Yes or  No**

If yes, from whom and what type of assistance was offered: \_\_\_\_\_

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

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**Z) Have you been contacted by other local economic development agencies?  Yes or  No. If yes, please provide which agencies: \_\_\_\_\_**

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

**If this a single use facility fill in section A. If this is a Multi-Tenant please fill in section B.**

**A) For Single Use Facility:**

Occupant Name: \_\_\_\_\_

Address: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

E-Mail: \_\_\_\_\_

Federal ID #: \_\_\_\_\_

SIC or /NAICS Code: \_\_\_\_\_

**B1) Multi-Tenant Facility:**

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

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**B2) Have any tenant leases been entered into for this project  Yes or  No.**

If yes, please list below and provide square footage (and percent of total square footage) to be leased to tenant and NAICS Code for tenant and nature of business.

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

**Attachment 1: Representations, Certification and Indemnification**

**CERTIFICATION**

STATE OF NEW YORK)  
SS:  
COUNTY OF ERIE)

\_\_\_\_\_  
(Name of Owner, Chief Executive Officer, or General Partner of the Company Submitting Application)

being duly-sworn deposes and says that he/she is the \_\_\_\_\_  
\_\_\_\_\_ of \_\_\_\_\_  
(Title) (Company Name)

named in the attached application; that he/she has read the foregoing application and attachments and knows the contents thereof; that all statements contained therein are true to his/her knowledge and contain no information or data that is false or incorrect, and are truly descriptive of the project which is intended as the security for the requested financing.

(Complete the following paragraph for corporation only)

Deponent further says that the reason this verification is made by the deponent and not by \_\_\_\_\_  
(Company Name)

is because the said company is corporation.

The grounds of deponent's belief relative to all matters in the said application which are not stated upon his/her own personal knowledge, are investigations which deponent has caused to be made concerning the subject matter of this application as well as information acquired by deponent in the course of his/her duties as an officer of, and from the books and papers of, said corporation.

Deponent acknowledges and agrees that applicant shall be and is responsible for all expenses incurred by the Town of Concord Industrial Development Agency (hereinafter the "Agency") in connection with this application whether or not resulting in the issuance of a bond(s), lease transaction, or installment sale. If for any reason whatsoever the applicant shall fail to conclude or consummate necessary negotiations or fails to act within a reasonable or specified period of time to take reasonable, proper, or requested action or withdraws, abandons, cancels or neglects the application, or if the Agency or applicant are unable to find buyers willing to purchase the total bond issue required, then upon presentation of invoice, applicant shall pay to the Agency, its agents, or assigns all actual expenses involved in this application, up to that date and time, including fees of bond counsel for the Agency and fees of general counsel for the Agency. The costs incurred by the Agency and paid by the applicant, including bond counsel and the Agency's general counsel's fees and the administrative fee (as hereinafter set forth), may be considered as a cost of the project and included as part of the resultant bond issue or lease agreement.

Deponent further acknowledges that he/she understands the Payment-in-Lieu of Tax (PILOT) policy of the Concord IDA (as stated in this application) and accepts the terms of the agreement as it applies to the classification of this project.

Should this project be subsequently found to be in violation of Article 18A of The New York State General Municipal Law, applicant acknowledges its absolute responsibility to repay all economic benefits received to date ( with interest), as agent for the Town of Concord Industrial Development Agency.

**TOWN OF CONCORD INDUSTRIAL DEVELOPMENT AGENCY  
FEE SCHEDULE**

**Application Fee:** At the time of application for approval by the Agency of any transaction there shall be a non-refundable application fee of Five Hundred Dollars (\$500.00). If the request is for refinancing of an existing Project of the Agency where no public hearing is required, this Application Fee will be applied as an offset against all or a portion of the Agency Administrative Fee Due.

For an extension of an inducement, each extension of six months shall require payment of one quarter of the Agency Administrative Fee.

**Agency Administrative Fees:**

**1. New Projects**

The Agency Administrative Fee for new Projects shall be 1% of the dollar amount of the Project as determined by the Agency. One quarter of the Agency Administrative Fee or .25% must be received by the Agency prior to the issuance of a Sales Tax Letter by the Agency except for installment sale transactions when the entire Agency Administrative Fee of 1% is due at time of the issuance of the Sale Tax Letter. The balance of the Agency Administrative Fee or .75% shall be due on the closing of the transaction.

**2. Refinacings**

The Agency Administrative Fee for refinacings shall be \$500 plus one percent (1%) of any new money being financed.

By way of illustration, if the Agency authorized a Project with a Project Cost of \$1,200,000, the initial Agency Administrative Fee payable would have been a total of \$12,000 with .25% or \$3,000 due at the time of the sales tax letter and \$9,000 payable at the closing. For purpose of illustration, we will assume that the Project was financed through bonds or a note and mortgage in the principal amount of \$1,000,000. At the end of five years, the Lessee comes to the Agency for assistance in refinancing the Project with a new borrowing of \$1,300,000. The Lessee will have to advise the Agency of the outstanding principal balance remaining on the bond or note. For purpose of illustration, we will assume that the principal balance has been reduced by \$100,000 leaving a remaining principal balance of \$900,000. The Lessee would have to pay an Agency Administrative Fee of 1% on the amount over the original \$1,200,000 authorized and for which the Agency Administrative Fee was paid or 1% of \$100,000 (\$1,000) plus an administrative fee of 1% on the difference between the \$1,000,000 originally borrowed and the remaining principal balance or 1% of \$100,000 (\$1,000) because that amount would also constitute new money. This would be in addition to the \$500 refinancing fee for a total Agency Administrative Fee of \$2,500.

**3. Sublease Approvals**

The Agency fee for approval of a new sublease for the entire Project shall be \$500.

**4. Approval of Lease Assignment and Assumptions**

The Agency Administrative Fee for approval of Lease Assignments and Assumptions shall be one quarter percent (.25%) of Agency Administrative Fee which would have been due if the Project was a new Project but reduced by the percentage of the benefit already received with respect to real property tax abatement.

By way of illustration, if it is assumed that the Agency provided a ten year real property tax abatement as set forth below

Year	Tax Paid	Abatement
1997	20%	80%

1998	25%	75%
1999	30%	70%
2000	35%	65%
2001	40%	60%
2002	45%	55%
2003	50%	50%
2004	55%	45%
2005	60%	40%
2006	60%	40%
Total Abatement		5.8 years of abatement

If after year 2002, an application was received requesting that the Agency approve the assignment and assumption of the lease agreement, four years of abatement are remaining. If you add up the percentage of abatement for each year the total remaining abatement is 1.75 years of abatement. The fee would be .25% of the percentage remaining of the real property tax abatement (1.75 divided by 5.8 = .301724138 x .25 times the original Project Cost)

Assuming the original Project Cost was \$1,000,000, the fee at the time of the original Project would have been \$10,000. The fee for the assignment and assumption would be \$1,000,000 x .0025 x .301724138 = \$754.31.

#### Additional Fees

Additional costs associated with meeting the Agency's current environmental policy are the responsibility of the Applicant.

If the Project Application is withdrawn or does not close, the Applicant is responsible for any costs, including Agency Counsel Fees, incurred by the Agency on behalf of the Project.

Agency Counsel Fees

<u>Bond/Mortgage/Lease Project Cost</u>	<u>Legal Fee</u>
to \$750,000	\$5,000*
\$750,001 to \$1,500,000	\$7,500
\$1,500,001 to \$3,000,000	\$10,000
\$3,000,001 to \$5,000,000	\$12,500
\$5,000,001 to \$10,000,000	\$15,000
above \$10,000,000	\$20,000 minimum with additional legal fees payable based upon the circumstances and work involved

\* With respect to legal fees for Projects up to \$750,000, this Legal Fee would include only two drafts of documents. In addition, if due to delays caused by the Lessee or the Lender, the closing is delayed beyond a sixty day period from the date of the first draft, additional time may also be billed by Agency Counsel in his or her discretion. If further drafts are required or the closing is unreasonably delayed, additional time shall be billed at the hourly rate then in effect of Agency Counsel for the additional time only which hourly rates are currently \$250 per hour.

Legal Fees for refinancings shall be based upon the dollar amount refinanced in accordance with the above schedule. In the case of minor amendments of the prior loan documents, Agency Counsel Fees shall be charged on a time basis at the hourly rate then in effect for Agency Counsel. Agency Counsel shall determine whether the amendment to the prior loan documents is a minor amendment in his or her sole reasonable discretion.

<u>Ordinary Installment Sale Transactions</u>	<u>Legal Fee</u>
to \$750,000	\$3,000*
\$750,001 to \$1,500,000	\$5,000
\$1,500,001 to \$3,000,000	\$7,500
over \$3,000,000	\$10,000 minimum with additional legal fees payable based upon the circumstances and work involved

\* With respect to legal fees for Projects up to \$750,000, this Legal Fee would include only two drafts of documents. In addition, if due to delays caused by the Lessee or the Lender, the closing is delayed beyond a sixty day period from the date of the first draft, additional time may also be billed by Agency Counsel in his or her discretion. If further drafts are required or the closing is unreasonably delayed, additional time shall be billed at the hourly rate then in effect of Agency Counsel for the additional time only.

**Installment Sale Transactions for Enhancement Zone Projects Only**

Agency Administrative Fee

For Sales Tax Only Projects with costs under \$100,000	\$500
For Sales Tax Only Projects with costs of \$100,000-\$200,000	\$1,000
For Sales Tax Only Projects with costs of \$200,000-\$300,000	\$1,500**

Agency Legal Fees

For Sales Tax Only Projects with costs under \$100,000 \$300\*  
For Sales Tax Only Projects with costs of \$100,000-\$200,000 \$500\*  
For Sales Tax Only Projects with costs of \$200,000-\$300,000 \$750\*\*

\*This is contingent on not more than two drafts (preliminary and final) and closing within 60 days sending of preliminary draft. If additional drafts are required or if closing period is extended for more than 60 days from the date of the preliminary draft, Agency Counsel reserves the right to charge for additional time.

\*\*This is a new category that is proposed for 2007. Previously they would have been considered an Ordinary Installment Sale Transaction

Legal Fees for Assignment and Assumptions shall be on a time basis.

In addition to counsel fees, disbursement of up to \$1,000 will be added to each closing. If additional transcripts above the normal amount are required (5 for lease only and 7 for bond or mortgage transactions), they will be billed to reflect the additional copy cost and the additional binding costs and may exceed the \$1,000 total.

### **Tier 1: Seven Year PILOT Schedule**

A seven year PILOT schedule will be applied to multi-tenant projects and projects that are rated at the low range of the PILOT Tier Criteria. Projects that do not comply with the Framework for Regional Growth can only qualify for the seven year PILOT Schedule.

Year	1	2	3	4	5	6	7
% Abatement	90%	90%	80%	80%	70%	70%	70%

### **Tier 2: Ten Year PILOT Schedule**

A ten year PILOT Schedule as depicted below will be applied to certain projects that are rated in the middle range of the PILOT Tier Criteria.

Year	1	2	3	4	5	6	7	8	9	10
% Abatement	90%	90%	90%	80%	80%	80%	70%	70%	70%	70%

### **Tier 3: Enhanced Jobs Plus PILOT Schedule**

A ten year PILOT Schedule as depicted below will be applied to projects that are rated at the high range of the PILOT Tier Criteria.

Year	1	2	3	4	5	6	7	8	9	10
% Abatement	100%	100%	100%	100%	100%	100%	100%	90%	80%	70%

In addition to the above PILOT schedules, for some redevelopment Projects, the Agency will offer the equivalent of the 485-b tax exemption on any added value of improvements