

APPLICATION FOR TAX INCENTIVES

**Town of Lancaster Industrial
Development Agency**

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.

(LIDA 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 Salary 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.

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: _____

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

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

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 Lancaster 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 Lancaster 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 Lancaster Industrial Development Agency.

**TOWN OF LANCASTER INDUSTRIAL DEVELOPMENT AGENCY
INDUCEMENT RESOLUTION POLICY**

It shall be the policy of the Town of Lancaster Industrial Development Agency that any inducement resolution adopted by the Board of Directors shall remain in full force and effect for a period of one (1) year from the date of its adoption. Thereafter, the Board of Directors may, in its discretion and upon good cause shown, adopt a further resolution extending the period of inducement for one (1) additional year from the date of the expiration of the original inducement. An Agency Extension Fee in the amount of \$500.00 shall be charged to the applicant for each such extension granted. Such Extension Fee shall be in addition to any other Administrative Fee or other fees incurred with respect to the project. Any request for an extension of the period of inducement beyond the one (1) additional year extension contemplated herein shall be addressed by the Board of Directors on a case-by-case basis.

(Company Name)

By:

(Owner/Partner/CEO)

NOTARY

Sworn to before me this

day of _____, 20 _____

Notary Public

Attachment 2: LIDA Fee Schedule

TOWN OF LANCASTER 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
2013	10%	90%
2014	10%	90%
2015	10%	90%
2016	20%	80%
2017	20%	80%
2018	20%	80%
2019	30%	70%
2020	30%	70%
2021	30%	70%
2022	30%	70%

Total Abatement 7.9 years of abatement

If after year 2018, 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 2.8 years of abatement. The fee would be 0.25% of the percentage remaining of the real property tax abatement (2.8 divided by 7.9 = 0.354430380 x 0.25% or 0.0025 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 0.0025 x 0.354430380 = \$886.08.

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 for Agency Counsel for the additional time only.

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>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 for Agency Counsel for the additional time only.

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.

The above Fees Policies have been reviewed and accepted by the applicant

Initial Here

Attachment 3: LIDA Sublease Approval Form

**TOWN OF LANCASTER INDUSTRIAL DEVELOPMENT AGENCY
SUBLEASE APPROVAL FORM
SUB-TENANT QUESTIONNAIRE – TO BE COMPLETED BY PROPOSED TENANT**

1. COMPANY NAME: _____
2. PRIMARY CONTACT: _____
3. TITLE: _____
4. COMPANY PRESIDENT / GENERAL MANAGER:
NAME: _____ TITLE: _____
5. COMPANY SIC (NACIS) CODE: _____
6. BUSINESS DESCRIPTION (*Describe in detail company background, products, customers, goods and services*): _____

7. HISTORY OF COMPANY: _____

8. DOES THIS OCCUPANCY CONSTITUTE A RELOCATION? Yes _____ No _____
9. IF YES, WHERE IS COMPANY PRESENTLY RELOCATING FROM? (*City, State or Province, Country*)
Address: _____
City: _____ State: _____ Zip: _____
 - a.) Is location to Lancaster necessary to: (Check one or both if applicable)
 - Discourage your company from moving out of New York State? _____
 - To remain competitive within your industry? _____

(*If either or both are checked, please provide a specific, detailed explanation as attachment on company letterhead*)
 - b.) In regard to current location, does your company: Own: _____ Lease: _____
 - c.) If leased, when does the lease expire? _____
 - d.) If owned, what will become of the facility? _____

 - e.) Have local economic development officials in the municipality where the company is currently located been contacted about alternative sites within that municipality?
YES _____ NO _____

f.) If yes, what was the outcome? _____

g.) If no, why not? _____

10. WILL THIS LANCASTER LOCATION BE YOUR COMPANY'S HEADQUARTERS?
YES _____ NO _____
If no, where is the Company's Headquarters located (City, State or Province, Country)?
CITY _____ STATE / PROVINCE _____
11. CURRENT NUMBER OF EMPLOYEES:
FULL TIME: _____ PART TIME: _____
12. ESTIMATED NUMBER OF FUTURE EMPLOYEES (WITHIN TWO (2) YEARS):
FULL TIME: _____ PART TIME: _____
13. NUMBER OF EMPLOYEES THAT LIVE IN:
LANCASTER _____ BUFFALO _____
OTHER ERIE COUNTY _____ OUTSIDE ERIE COUNTY _____
14. APPROXIMATE PERCENTAGE OF PRODUCTS / SERVICES EXPORTED:
OUTSIDE ERIE COUNTY BUT WITHIN NEW YORK STATE _____
WITHIN THE REST OF THE U.S. _____
CANADA _____ INTERNATIONAL _____

FORM COMPLETED BY: _____

PLEASE PRINT

DATE: _____

TITLE: _____

SIGNATURE: _____