

NCIDA

APPLICATION FOR ASSISTANCE

NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

Each applicant seeking assistance must complete the accompanying application material which includes the Application for Assistance and Environmental Assessment form. A non-refundable application fee of \$1,000.00 must be included with this application, payable to the Niagara County Industrial Development Agency. Every project seeking NCIDA assistance must use best efforts to use local labor for the construction of new, expanded or renovated facilities.

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, except for information that is considered deniable by the Freedom of Information Law. This form is available online at our web page at www.nccedev.com.

I. APPLICANT DATA

A.

APPLICANT NAME	<u>Brightfields Corporation</u>
ADDRESS	<u>333 Ganson St.</u>
CITY/STATE/ZIP	<u>Buffalo, NY 14203</u>

B. APPLICANT'S OFFICER RESPONSIBLE FOR COMPLETING THIS APPLICATION

NAME	<u>Jon Williams</u>
TITLE	<u>CEO</u>
MAILING ADDRESS	<u>333 Ganson St.</u>
CITY/STATE/ZIP	<u>Buffalo, NY 14203</u>
TELEPHONE	<u>716-856-3333</u>
FAX	<u>716-842-1630</u>
E-MAIL	<u>jmwilliams@oscinc.com</u>
APPLICANT'S TAX ID NUMBER	<u>45-4038514</u>

- C. **BUSINESS TYPE**
- Sole Proprietorship
 - Partnership
 - Privately-held Corporation
 - Public Corporation
 - Not-for-Profit Corporation
 - LLC
 - Other

D. **STATE OF INCORPORATION:**

New York

- E. **IS APPLICANT AUTHORIZED TO DO BUSINESS IN NEW YORK STATE?** Yes No

F. **PRINCIPAL STOCKHOLDERS (Owners of 20% or more of Stock Outstanding)**

<u>Name</u>	<u>%</u>	<u>Corporate Title</u>
<u>Jon Williams</u>	<u>100</u>	<u>President</u>

G. **Has the Applicant (or any related entity) received previous NCIDA assistance?**

- Yes No

If yes, please give year(s) and project location

H. **APPLICANT'S LEGAL COUNSEL**

FIRM NAME Duke, Holtzman, Photiadis, & Gresens LLP

ADDRESS 701 Seneca St.

CITY/STATE/ZIP Buffalo, NY 14210

TELEPHONE 716-855-1111

ATTORNEY'S NAME Matthew Beck

E-MAIL mjbeck@dhpqlaw.com

II. PROJECT & OCCUPANCY DATA

A. LOCATION OF PROPOSED PROJECT FACILITY

ADDRESS Highland Ave., adjacent to existing site

PRINCIPAL USE Manufacturing

SBL # 144.06-2-25

ZONING Industrial?

B. INDICATE MUNICIPAL JURISDICTION

TOWN _____

VILLAGE _____

CITY Niagara Falls

SCHOOL DISTRICT Niagara Falls

C. CURRENT OWNERSHIP OF PROPERTY

CURRENT OWNER Brightfields Corporation

CURRENT ASSESSMENT 38,100 (under protest, believed to be -0-)

CURRENT TAXES (ANNUAL) \$339

CURRENT BUSINESS OPERATING AT LOCATION? No

IF YES, EXPLAIN: _____

D. Who are the principal user(s) of the facility (the "Company")? If there are multiple users, please indicate on attached sheet. If same as Applicant indicate the "same" below.

COMPANY NAME Tulip Molded Plastics Corporation

ADDRESS 3125 Highland Ave.

CITY/STATE/ZIP Niagara Falls, NY 14305

CONTACT John Signore

TELEPHONE 716-282-1261

TAX ID # 45-4030421

% OF FACILITY TO BE OCCUPIED BY COMPANY 100%

E. Are other facilities or related companies located within New York State: Yes No

LOCATION _____

If there are other company facilities within the State, will any of these close or be subject to reduced activity?

Yes No

F. Has the company actively sought sites and/or facilities in another country or state?

Yes No

If yes, please describe on separate sheet.

G. Description of project (check one or more)

- New Construction Sq. Footage 70,000
- Addition to existing facility Sq. Footage _____
- Renovation and modernization of existing facility
- Acquisition and modernization of existing facility
- New machinery and equipment Production Non-Production
- Other (specify) _____

H. Provide a general narrative description of the project, including history and background on user(s) of the facility. Provide information on (Appendix A) for user(s) of the facility. Describe reasons why this project is necessary and its effect it will have on Applicant. Include site plans, renderings, photos, etc.

Tulip Molded Plastics Corporation's (Tulip) current manufacturing facility has deteriorated to the point that it is no longer practical or cost competitive to operate. Tulip has a growth strategy for all three product lines (plastic injection molding, engineered resin, and lead component) but this is not possible given the current state of the facility. The \$11.7mm proposed project involves the development and building of a new 70,000 square foot facility on an adjacent parcel of land owned by Brightfields Corporation in Niagara Falls, NY. Also included in the project is the relocation of existing equipment as well as the acquisition, delivery, and installation of new state of the art manufacturing equipment to further Tulip's operational and growth strategy. Brightfields (or its successor) will lease the building and equipment to Tulip.

Tulip has been in the Niagara Falls community since 1910. For over 100 years the company has employed the local workforce, paid income and property taxes, and supported local vendors/suppliers. Tulip has persevered despite operating in one of the most depressed economic areas in New York State- it is the last remaining manufacturer left on Highland Ave. This project will support Tulip's effort to remain viable and competitive in Niagara Falls and generate positive economic results in an area of desperate need.

The proposed land for the project was a previous abandoned hazardous waste site. Over 17mm of private funding was used to remediate this property. Over 5mm of this project was performed under the Brownfields Cleanup Program to the highest level of cleanup specified thereunder.

Overall, this project and the related land remediation effort undertaken represents an almost \$29mm investment in a severely depressed economic area in the city of Niagara Falls.

The project will benefit the region in creating jobs related to the new facility construction and anticipated business growth as well as maintaining 70 current positions that would be lost should operations be relocated out of New York State. Further, the proposed land to be used for the new facility has been remediated under the Brownfield Cleanup Program and can serve as an example of successful redevelopment of a once contaminated and abandoned property.

III. COMPANY EMPLOYMENT INFORMATION

A. Total current employment within Niagara County is

FULL-TIME: 70

PART-TIME: _____

Current Annual Payroll Including benefits

\$ 3,868,000

B. Projected Employment:

Applicant or principal user(s) must complete Appendix A.

IV. EMPLOYMENT IMPACT

Every project seeking NCIDA assistance must use best efforts to use Niagara County labor for the construction of new, expanded or renovated facilities. This requirement includes all project employees of the General Contractor, Subcontractor or sub to a Subcontractor, working on the project. Applicant agrees and understands the obligations herein, and agrees to transmit and convey in a timely fashion this requirement to all applicable contractors, subcontractors, suppliers and materialmen.

A. Will Niagara County contractors and/or subcontractors be utilized for the construction project?

Yes No

B. What is the estimated number of construction jobs to be created at the project site from

Niagara County: 100 Erie County: 50 Other Areas: _____

V. APPLICANT PROJECT COSTS AND FINANCING

- A. Estimate the costs necessary for the construction, acquisition, rehabilitation, improvement and/or equipping of the project by the applicant.

Estimated Costs Eligible for Sales Tax Exemption Benefit

a. Building Construction or Renovation Costs	a. <u>\$5,724,820</u>
b. Sitework	b. <u>\$</u>
c. Non-manufacturing Equipment	c. <u>\$</u>
d. Furniture, Fixtures	d. <u>\$25,000</u>
e. Other (specify)	e. <u>\$</u>
f. Subtotal	f. <u>\$</u>

Estimated Costs Not Subject to Sales Tax

g. Land and/or building purchase	g. <u>\$1,500,000</u>
h. Manufacturing Equipment	h. <u>\$1,970,000</u>
i. Soft Costs (Legal, Architect, Engineering)	i. <u>\$1,605,717</u>
j. Other (specify)	j. <u>\$899,175</u>
k. Subtotal	k. <u>\$</u>

Total Project Costs	f & k <u>\$11,724,712</u>
----------------------------	--------------------------------------

- B. Indicate how the project will be financed

a. Tax-Exempt IRB	a. <u>\$</u>
b. Tax-Exempt Bond	b. <u>\$</u>
c. Taxable IRB	c. <u>\$</u>
d. Bank Financing	d. <u>\$5,557,158</u>
e. Public Financing	e. <u>\$4,101,818</u>
f. Equity	f. <u>\$2,065,735</u>

TOTAL SOURCES	<u>\$11,724,712</u>
----------------------	----------------------------

Estimated Amount of Mortgage	<u>\$3,831,438</u>
------------------------------	--------------------

- C. If applicant expects the Tax-Exempt IRB to exceed \$1,000,000, what is the dollar value of "capital expenditures" that the applicant and company, or any related company or person, has expended within the last three years in the municipality in which the proposed project is to be located and expects to expend in that municipality three years after the bond issue?

- D. Has the applicant made any arrangements for the financing of the project? Yes No

If so, please specify bank, underwriter, etc.

Commitment letters have been obtained from local financial institutions.

VI. PROJECT CONSTRUCTION INFORMATION

- A. What is the proposed commencement date of construction or acquisition of the project?

7/1/15

- B. Outline the timetable for the project, indicating when project will be in full use.

11/1/15

VII. 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.
- B. First Consideration for Employment: 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, where practicable, the Applicant will first consider persons eligible to participate in JTPA programs who shall be referred by the JTPA Entities for new employment opportunities created as a result of the Project.
- C. 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.
- D. 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.
- E. Absence of Conflicts of Interest: The Applicant has received from the Agency a list of the members, officers and employees of the Agency. No member, officer or employee of the Agency has an interest, whether direct or indirect, in any transaction contemplated by this Application, except as hereinafter described: _____.
- F. Local Labor: The Applicant understands that the residents of Niagara County will be providing assistance to the project. The Applicant further understands that every project seeking NCIDA assistance must use best efforts to use Niagara County labor for the construction of new, expanded or renovated facilities. This requirement includes all project employees of the General Contractor, Subcontractor or sub to a Subcontractor, working on the project. Applicant agrees and understands the obligations herein, and agrees to transmit and convey in a timely fashion this requirement to all applicable contractors, subcontractors, suppliers and materialmen.

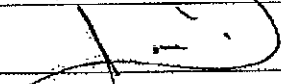
G. Hold Harmless. Applicant hereby releases Niagara County Industrial Development Agency and the members, officers, servants, agents and employees thereof (the "Agency") from, agrees that the Agency shall not be liable for and agrees to indemnify, defend and hold the Agency harmless from and against any and all liability arising from or 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. Applicant hereby understands and agrees, in accordance with Section 875(3) of the New York General Municipal Law, that any New York State and local sales and use tax exemption claimed by Applicant and approved by the Agency in connection with the Project may be subject to recapture by the Agency under such terms and conditions as will be set forth in the Agent Agreement to be entered into by and between the Agency and the Applicant. The Applicant further represents and warrants that the information contained in this Application, including without limitation information regarding the amount of New York State and local sales and use tax exemption benefits, is true, accurate and complete. If, for any reason, the Applicant fails to conclude or consummate necessary negotiations, or fails, 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 the Applicant are unable to reach final agreement with the respect to the Project, then, in the event, upon presentation of an invoice regarding the same, the Applicant shall pay to the Agency, its age or assigns, all incurred by the Agency in the processing of the Application, including attorneys' fees, if any.

Name of Applicant's Officer Responsible for Completing Application:

(Please Print)

Jon Williams

Signature



Date of Application

6/1/15

VIII. ENVIRONMENTAL ASSESSMENT

New York State law requires that an Environmental Assessment Form (EAF) must be completed and submitted along with this application. Attach the EAF which was submitted to the municipality.

CERTIFICATION

Jon Williams

Name of chief executive of the company submitting application

Deposes and says that he/she is the CEO_of Brightfields Corporation, the corporation named in the attached application; that he/she has read the foregoing application and knows the contents thereof; that the same is true to his/her knowledge. Deponent further says the reason this verification is made by the deponent and not by Brightfields Corporation, (company name) is because the said company is a 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.

As officer of said corporation (hereinafter referred to as the "applicant") deponent acknowledges and agrees that applicant shall be and is responsible for all costs incurred by the nonprofit Niagara County Industrial Development Agency (hereinafter referred to as the "Agency") acting on behalf of the attached application whether or not the application, the project it describes, the attendant negotiations and ultimately the necessary issue of bonds and/or completion of the lease/leaseback transaction are ever carried to successful conclusion. If, for any reason whatsoever, the applicant fails to act within a reasonable or specified period of time to take reasonable, proper, or requested actions or withdraws, abandons, cancels, or neglects the application or if the Agency or applicant are unable to identify buyers willing to purchase the total bond issue required or facilitate the lease/leaseback transaction, then upon presentation of invoice, applicant shall pay to the Agency, its agents, or assigns all actual costs involved in conduct of the application, up to that date and time, including but not necessarily limited to fees of bond counsel for the Agency and fees of general counsel for the Agency. Upon successful conclusion and sale of the required bond issue or completion of the lease/leaseback transaction, the applicant shall pay to the Agency an administrative fee set by the Agency. The cost incurred by the Agency and paid by the applicant, including bond counsel and the Agency's general counsel's fees and the administrative fee, may be considered as a cost of the project and included as part of the resultant bond issue or lease/leaseback transaction.

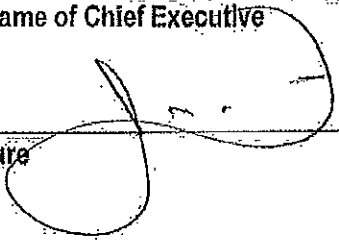
Applicant hereby releases Niagara County Industrial Development Agency and the members, officers, servants, agents and employees thereof (the "Agency") from, agrees that the Agency shall not be liable for and agrees to indemnify, defend and hold the Agency harmless from and against any and all liability arising from or 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. Applicant hereby understands and agrees, in accordance with Section 875(3) of the New York General Municipal Law, that any New York State and local sales and use tax exemption claimed by Applicant and approved by the Agency in connection with the Project may be subject to recapture by the Agency under such terms and conditions as will be set forth in the Agent Agreement to be entered into by and between the Agency and the applicant.

The Applicant further represents and warrants that the information contained in this Application, including without limitation information regarding the amount of New York State and local sales and use tax exemption benefits, is true, accurate and complete. If, for any reason, the Applicant fails to conclude or consummate necessary negotiations, or fails, 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 the Applicant are unable to reach final agreement with the respect to the Project, then, in the event, upon presentation of an invoice regarding the same, the Applicant shall pay to the Agency, its age or assigns, all incurred by the Agency in the processing of the Application, including attorneys' fees, if any.

Jon Williams

Print Name of Chief Executive

Signature

A handwritten signature in black ink, appearing to read "Jon Williams", written over a horizontal line. The signature is stylized with a large loop at the beginning and a long horizontal stroke extending to the right.

NCIDA

APPENDIX A

NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

PROJECTED EMPLOYMENT*

	Full-Time	Part-Time	Total	Total Payroll*
Total number of employees within Niagara County at the date of Application	70	+	70	
Total number of employees to be directly <u>IMPACTED</u> by the project	70	+	70	
ADD: Number of new jobs to be created during the first year after completion:	2	+	2	
Total end of First Year:	72	+	72	
ADD: Number of new jobs to be created during the second year after completion:	2	+	2	
Total end of Second Year:	74	+	74	
ADD: Number of new jobs to be created during the third year after completion:	2	+	2	
Total end of Third Year:	76	+	76	
Estimated Average annual salary of NEW jobs created:	45000			
Expected high salary of NEW jobs created:	75000			
Expected low salary of NEW jobs created:	32000			

List types of jobs (i.e. production, managerial, clinical, engineering, etc.) to be created.

It is anticipated the general growth of the company due to this project will create positions of all levels but primarily production and related. Tulip expects to add 10 permanent full time positions over five years.

*Applicant or principal user(s) as noted in Section III B of application (includes benefits)

Ton Williams
Print Name

Signature

Date

6/3/15

Attachment to NCIDA Application
Brightfields Corporation

Part II, Question F:

Tulip is also evaluating options for relocating out of state related incentive opportunities.