

**City of Utica
Industrial Development Agency
Application**

The information required by this form is necessary to determine the eligibility of your project for IDA benefits. Please answer all questions; insert "NONE", or "NOT APPLICABLE", where necessary. If an estimate is given, put "EST." after the figure. Attach additional sheets if more space is needed for a response than is provided. Return three copies of this application to the City of Utica Industrial Development Agency.

All information contained in this form will be treated confidentially, to the extent permitted by law.

A project financed through this Agency involves the preparation and execution of significant legal documents. Please consult with an attorney before signing any documents in connection with the proposed project.

PART I

Applicant

Applicant's legal Name: BG Warehouse, LLC

Principal Address: PO Box 4325
Utica, NY 13504-4325

Telephone Number: 315-797-7534

Federal Identification Number: 46-1320065

Company IRS Filing Office Location: Hartford, Conn. 06176

Company Officer completing this application:

Name: David Mazloom

Title: Manager

1. A. Is the applicant a:

() Corporation: If YES, Public () Private ()
If a PUBLIC Corporation, on which exchange is it listed?

-
- () Sole Proprietorship
 - () Partnership
 - () Subchapter S
 - () DISC
 - (X) Other (specify) LLC

B. State of incorporation, if applicable: New York

2. Stockholders, Directors, Officers, Partners or Members

A. Provide the following information in regard to principal stockholders or parties:

<u>Name</u>	<u>Home Address</u>	<u>Social Security No.</u>	<u>Percentage of Ownership</u>
Albert Mazloom	[REDACTED]	[REDACTED]	[REDACTED]
Andrew J. Mazloom	[REDACTED]	[REDACTED]	[REDACTED]
David Mazloom	[REDACTED]	[REDACTED]	[REDACTED]
Albert S. Mazloom III	[REDACTED]	[REDACTED]	[REDACTED]

B. Provide the following information in regard to officers and directors:

<u>Company Officer</u>	<u>Name and Home Address</u>	<u>Social Security Number</u>	<u>Other Principal Business Affiliation</u>
David Mazloom	[REDACTED]	[REDACTED]	Manager (BGWarehouse)
Andrew J. Mazloom	[REDACTED]	[REDACTED]	Trenton Technology Inc.
Albert S. Mazloom III	[REDACTED]	[REDACTED]	Trenton Technology Inc

C. Is the applicant or any of the people listed in 2(A) above related, directly or indirectly, to any other entity by more than 50% common ownership? If also, indicate name of such entity and the relationship.

No

D. Is the applicant affiliated with any other entity, directly or indirectly, other than as indicated in response to paragraph C above? If YES, please indicate name and relationship of such other entity and the address thereof:

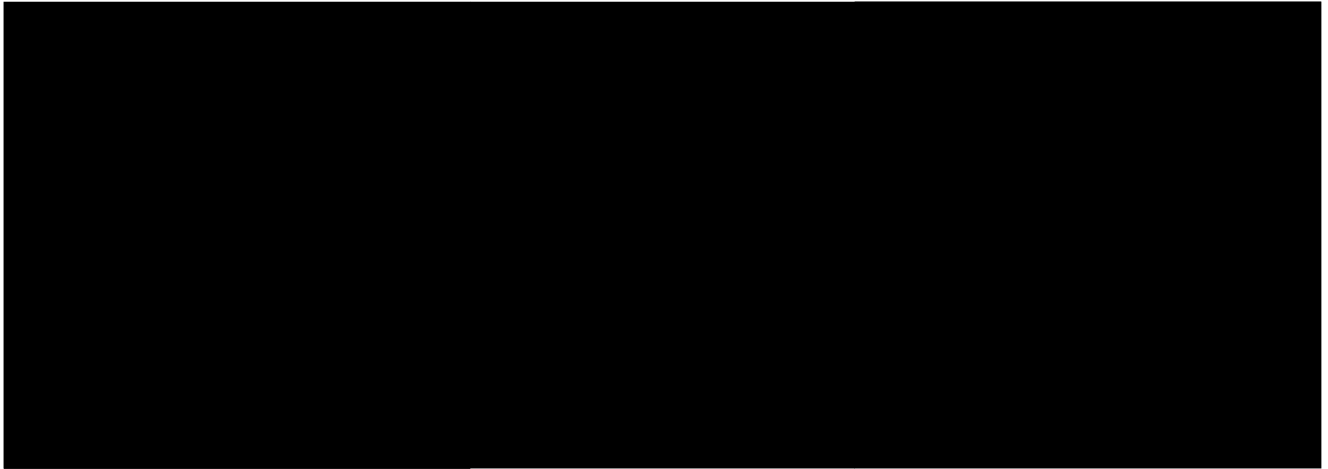
Founder & CEO Trenton Technology Inc

1001 Broad St., Utica, NY 13501

C. Major customers (list three largest and show percentage of gross business obtained from each):

<u>Name of Customer</u>	<u>Address and Phone Number</u>	<u>Account Officer/ Contact Person</u>	<u>Terms of Sale</u>	<u>Annual Dollar % Volume</u>
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Trenton Technology Inc.



Business Description

A. Describe nature of business and principal products and/or services:

We are committed to restoring this building to its original purpose of manufacturing and assembly. To achieve this we will be making substantial upgrades. Once upgraded, Trenton Technology, a major local employer and Hi-Tech manufacturing company, will relocate and expand to 175,000+/- sq. feet of the facility. This will streamline the Utica location, retain local Hi-Tech jobs and increase overall employment.

B. Describe the geographical market(s) served:

Trenton Technology ships throughout the United States and worldwide.

Present location(s)

A. List present location(s): **Trenton Technology Inc.**

- 1. 1001 Broad St., Utica NY 13501
- 2. 2350 Centennial Drive, Gainesville, GA 30504
- 3.

B. For what purpose is each of these used:

- 1. Design, sales, manufacturing, assembly, warehouse, delivery.
- 2. Design, sales, assembly warehouse delivery.
- 3.

C. For each of your present locations which are RENTED, provide the following information: **Trenton Technology Inc.**

Name of Landlord Landlord's Address Landlord's Telephone Number

1. Broad St. 1001 Broad St. 315-223-9260
Industrial Park Inc. Utica, NY 13501

- 2.
- 3.

Amount of Space Annual Rental Lease Termination Date

1. 120,000 sq. ft. [REDACTED] Month to Month

- 2.
- 3.

D. For each of your present locations which you OWN, provide the following information for those which are mortgaged: **BG Warehouse, LLC**

Annual Mortgage Payment Termination Date

\$154,784

11/01/2023

E. List which of your present locations, if any, will be vacated if IDA approval for your project is given:

Trenton Technology Inc., located at 1001 Broad St., Utica, is looking to expand and relocate to this facility.

If any of these locations will be sublet or sold, provide information concerning your ability to do so:

N/A

PART II

Reasons for Project

Please explain in detail why you want to undertake this project:

Over 25 years ago this property was originally a major local manufacturer. By restoring the property to its original intent, Trenton Technology plans to relocate and expand its HI-Tech manufacturing business.

This expansion will allow Trenton Technology to retain and increase their number of employees by expanding their manufacturing capabilities.

Why are you requesting the involvement of the IDA in your project?

To assist with the significant cost involved with the restoration of this property to a full manufacturing facility. This will help maintain current assembly and manufacturing companies, and help relocate Trenton Technology's manufacturing and assembly divisions locally.

How will the applicant's plans be affected if IDA approval is not granted?

The decision will be one of the determining factors of the restoration and relocation of Trenton Technology's local manufacturing and assembly division. An approval will significantly increase our ability to expand locally. If benefits are not granted by the IDA, Trenton will most likely move a substantive portion of their facility to the Gainesville, Georgia facility.

A. Type of Project

Check category or categories best describing your project:

- Manufacturing
- Industrial Assembly or Service
- Research and Development
- Warehousing
- Commercial or Recreational
- Pollution Control (specify) _____
- Other (specify) _____

B. Description of Proposed Project

Check all appropriate categories which apply to the proposed project:

- | | | |
|--|----------|---------|
| 1. Acquisition of land | YES() | NO(X) |
| 2. Acquisition of existing building | YES() | NO(X) |
| 3. Renovations to existing building | YES(X) | NO() |
| 4. Construction of addition to existing building | YES() | NO(X) |
| 5. Demolition | YES() | NO(X) |
| 6. Construction of a new building | YES() | NO(X) |
| 7. Acquisition of machinery and/or equipment | YES(X) | NO() |
| 8. Installation of machinery and/or equipment | YES(X) | NO() |
| 9. Other (specify) | YES(X) | NO() |

New electrical entrance to satisfy manufacturing needs.

C. What is the zoning classification of the proposed site?

Light manufacturing.

D. For what purpose was the site most recently used (e.g. light manufacturing, heavy manufacturing, assembly, etc.)?

Light manufacturing, assembly, warehousing.

<u>Location(s)</u>	<u>Street Address</u>	<u>Number of Floors</u>	<u>Square Footage per Floor</u>
2007 Beechgrove Pl., Utica, NY 13501		1	371,000+/-

F. Is the site in an Empire Zone? (X) Yes () No

Is the business Empire Zone certified at this location: () Yes (X) No

Attach a copy of the last Business Annual Report filed. If not certified, explain why not:

G. 1. Please describe in detail the facility to be acquired, constructed or renovated (including number of buildings and other existing structures or facilities) and attach plot plans, photos or renderings, if available.

175,000 square feet to be remodeled for manufacturing, assembly, research, development, and warehousing. There may be additional expansion in years to come.

2. If construction or renovation work on this project has already begun, please describe the work in detail.

No

3. What is the estimated useful life of the:

a. Facility: 25+ years

b. Equipment: 25+ years

H. List the principal items or categories of equipment to be acquired as part of the project.

New 3000 kw underground electrical entrance. Roof repair/replacement, structure restoration.

I. If any of this equipment has already been purchased or ordered, please attach all invoices and purchase orders and list amounts paid and dates of expected delivery as well as a brief description:

II. Equipment in paragraph H will be ordered subsequent to IDA approval.

J. If the construction or operation of the proposed project will require any local ordinance or variance to be obtained or requires a permit or prior approval of any state or federal agency or body (other than normal occupancy/construction permits), please specify:

N/A

K. Will the project have a significant effect on the environment, YES () NO (X). If so, please describe the effect. Important: please attach Environmental Assessment Form to this Application

L. Will a related real estate holding company, partnership or other entity be involved in the ownership structure of the Transaction? YES(X) NO() If YES, please explain:

BG Warehouse, LLC owns the property and will lease 175,000 sq. ft. to Trenton Technology Inc.

M. 1. With regard to the present owner of the project site, please give:

Name: BG Warehouse, LLC

Address: PO Box 4325

Utica, NY 13504-4325

Telephone Number: 315-797-7534

2. If the applicant already owns the project site, indicate:

a. date of purchase: Feb. 1, 2013

b. purchase price: \$2,900,000

3. If the project site is mortgaged, please indicate:

a. balance of mortgage: \$1,913,981.23

b. holder of mortgage: NBT Bank

N. Is there a relationship, legally, by virtue of common control, or through related persons, directly or indirectly, between the applicant and the present owner of the project site? YES () NO (X) If YES, please explain:

Albert Mazloom is the founder & CEO of Trenton Technology and owner of BG Warehouse, LLC.

O. Is the company currently a tenant in the building to be occupied?

YES () NO (X)

P. Are you planning to use/develop the entire proposed facility?

YES (X) NO ()

If NO, give the following information with respect to present tenants:

1. Present Tenant Information

a. Name of Business Floors Occupied Square Feet Occupied Nature of Tenant's Business

N/A

b. Which of the above tenants will be vacating upon your initial use of the facility? How many jobs will be affected?

Name of Firm Jobs Square Footage Now Occupied

N/A

c. For those tenants who will remain after your initial occupancy of the site, provide the following transaction:

<u>Name of Tenant</u>	<u>Term of Lease</u>	<u>Renewal Options</u>	<u>Square Footage Now Occupied</u>
Mele Mfg.	3 years	-0-	75,295
International Paper	5 years	-0-	53,902

Are any of the above tenants related to the owner of the facility? YES () NO (X)

d. If the applicant will be occupying the premises of any of the tenants listed in (c) when their lease expires, please list.

N/A

e. Please provide copies of all present leases at the proposed project site.

Copy of lease

- f. Do you propose to lease part of the project facility to firms not presently tenants?
YES (X) NO ()

If YES, provide details of your proposals:

Trenton Technology Inc. will occupy 175,000 sq. feet of subject facility with possibility of future expansion. Space is available to lease to prospective tenants

- g. Will financing by the Agency for the Project result in the removal or abandonment of a plant or other facility of the applicant or any related entity presently located in another area in the State of New York? YES (X) NO ()

If the answer is yes, please explain briefly the reasons for the move.

To maintain Trenton Technology's current level of employment, and increase future employment in all divisions of Trenton Technology.

Is the proposed project reasonably necessary to discourage the project occupant from removing such other plant or facility to a location outside the State of New York?

YES (X) NO ()

Is the proposed project reasonably necessary to preserve the competitive position of the project occupant in its respective industry? YES (X) NO ()

- h. If any of the parties who will be tenants in this project are related to or affiliated with the applicant, please identify them:

Albert Mazloom, founder & CEO of Trenton Technology, and owner of BG Warehouse, LLC.

1. Please attach any written agreements (e.g., options, purchase contracts, invoices, etc.) concerning the acquisition of the real property or equipment for this proposed facility.

2. Employment *

a. List your present employment in Oneida County, if any, and an estimate of the employment at the proposed facility at the end of one and two years.

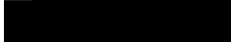
Employment	Present	At End of First Year	At End of Second Year
Full Time	182	190	198
Part Time			
Seasonal			
Total	182	190	198

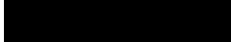
Estimate percent that total part time or seasonal working time bears to total annual full working time. _____%

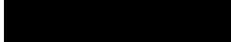
b. Characterize the labor force to be associated with this project location according to the following categories:

Category	Present	At End of First Year	At End of Second Year
Officers	4	4	4
Managers/Supervisory	15	17	17
Clerical	19	19	19
Plant/Production	112	117	125
Other (specify)	32	33	33

c. Estimate the Annual Payroll for the employees associated with the project location.

At present:  _____

At end of one year:  _____

At end of two years:  _____

Company will be required to submit Annual Job Monitoring Report for each year of benefit period (attached). Annual Job Monitoring Reports will be compared to employment counts as stated above and companies whose reported counts fall below those levels above will be subject to the Agency's Recapture Provisions Policy.

3. Estimated Project Cost

Listed the costs necessary for the construction, acquisition or renovation of the project (this should NOT include working capital needs, moving expenses, work in progress, stock in trade, applicant's debt repayment, real estate broker fees or your legal fees):

	BG Warehouse	Trenton Technology
Acquisition of Land	\$	
Acquisition of Building(s)	\$	
Renovation Costs	\$	
New Construction of Buildings	\$	
Machinery and Equipment	\$	
Fixtures	\$	
Installation Costs-Trenton Technology Relocation Costs	\$	
Fees (other than your own counsel and brokerage fees) Architectural/Engineering Fees	\$	
Interest on Interim Financings	\$	
Other (specify)	\$	
Subtotal	\$	
Agency Fee	\$	
Total Project Cost BG Warehouse LLC & Trenton Technology Inc.:	\$	

What is the amount of funding requested for financing through the agency?

None

4. Real Estate Taxes

List separately the proposed project's Real Estate Taxes and/or Assessed Value as it applies to land and building:


Project's	Real Estate Taxes	Assessed Value
Land(s)	\$	\$
Building(s)	\$	\$
Total	\$ 226,425.28	\$ 3,568,000

Trenton Technology

5. Project Schedule

Indicate the estimated dates for the following:

- a. Construction commencement: Late 2014
- b. Construction completion: Late 2016
- c. Project financing: List the dates and in what amounts the estimated funds will be required:

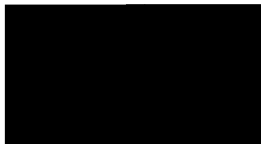


- d. Indicate the name of the incorporated municipality in which the facility will be located and the applicant's (or any related entity's) estimated capital expenditures in such municipality during the past three years:



- e. What do you expect the applicant's (or any related entity's) capital expenditures to be in the above municipality during the next three years (including this project):

BG Warehouse, LLC:
 Trenton Technology Inc.:
 Total:



- f. If the applicant or any related entity has previously secured the benefit of tax exempt financing in the City of Utica, whether through IDA, the New York Job Development Authority or any other entity, please explain (indicate date, location of financed facility, and outstanding balance):

N/A

- g. Has the applicant or any related entity received the benefit of tax exempt financing anywhere within the United States within the past 90 days or is the applicant or any related entity contemplating the receipt of such financing assistance within the next 90 days? YES () NO (X). If yes, please explain.

6. Project Financing Efforts

IT IS THE APPLICANT'S RESPONSIBILITY TO SECURE A PURCHASER FOR IDA BONDS ISSUED IN CONJUNCTION WITH THIS PROJECT. Below are a series of questions relating to your efforts to secure financing for your project if IDA approval is granted.

- A. Has the applicant contacted any bank, financial/lending institution or private investor in regard to the financing for this project? YES (X) NO () If YES, please give details:

NBT Bank

Private funding

B. Have you obtained a financial commitment for this project? YES () NO (X)

1. If Yes, please briefly describe this commitment and attach related correspondence:

2. If No, please explain how you will be able to finance this project:

Private funding and mortgage financing.

Potential PILOT program

C. Are there any other governmental agencies that you have contacted concerning financial assistance in regard to your proposed project? YES (X) NO () If YES, please explain:

Trenton Technology has filed a CFA application for 2014.

D. 1. Will the applicant's obligations be guaranteed, and if so, by whom?

N/A

2. Is the guarantor related to or affiliated with the applicant?

N/A

E. Financial Information (Attach the Following).

1. Financial Statements for the last three fiscal years. ✓
2. Pro forma 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.

Certification

The undersigned requests that this application be submitted for review to the City of Utica Industrial Development Agency's Board of Directors. It is hereby certified by the undersigned that the information contained in this application and the attachments thereto is, to the best of my knowledge and belief accurate and it is truly descriptive of the project which is intended as the security for the financing. Intentional misstatements or misleading information contained herein could be cause for disapproval or could lead to voiding IDA benefits.

APPROVAL OF THE APPLICATION CAN BE GRANTED SOLELY BY THIS AGENCY'S BOARD OF DIRECTORS. IT IS ACKNOWLEDGED THAT APPLICANT SHALL BE RESPONSIBLE FOR ALL COSTS INCURRED BY THE AGENCY AND ITS COUNSELS IN CONNECTION WITH THE TENDANT NEGOTIATIONS AND ISSUANCE OF BONDS WHETHER OR NOT CARRIED TO A SUCCESSFUL CONCLUSION.

Signature: Albert S. Mazloom

Title or Type Name: ALBERT S. MAZLOOM

Position: C. E. O.

Date: 9/15/14

Return the original application and six copies with a check in the amount of \$250.00 made payable to: Utica Industrial Development Agency, 1 Kennedy Plaza, Utica, New York, Attn.: Jack N. Spaeth, Executive Director.

COST/BENEFIT ANALYSIS
Required by §859-a(3) of the
New York General Municipal Law

TO BE ATTACHED TO AND MADE PART OF APPLICATION TO THE AGENCY

Name of Applicant: BG Warehouse LLC

Description of Project: Renovation & restoration of manufacturing facility; in particular for Trenton Technology Inc.

Name of all Sublessees or Other Occupants of Facility: Mele Manufacturing International Paper

Principals or Parent Company of Applicant: Albert S. Mazloom

Principals of any Sublessee or Occupant: Mele Manufacturing- Raymond Mele International Paper- Public Company

Product/Services: Manufacturing space

Estimated Completion Date of Project: 2016

Type of Financing/Structure: _____ Tax-Exempt Financing
_____ Taxable Financing
 X Lease/Leaseback
_____ Other

Explain: _____

Types of Benefits

Tax-Exempt Bonds

Expected to Receive:

Sales Tax Until Completion Date

Mortgage Tax Abatement

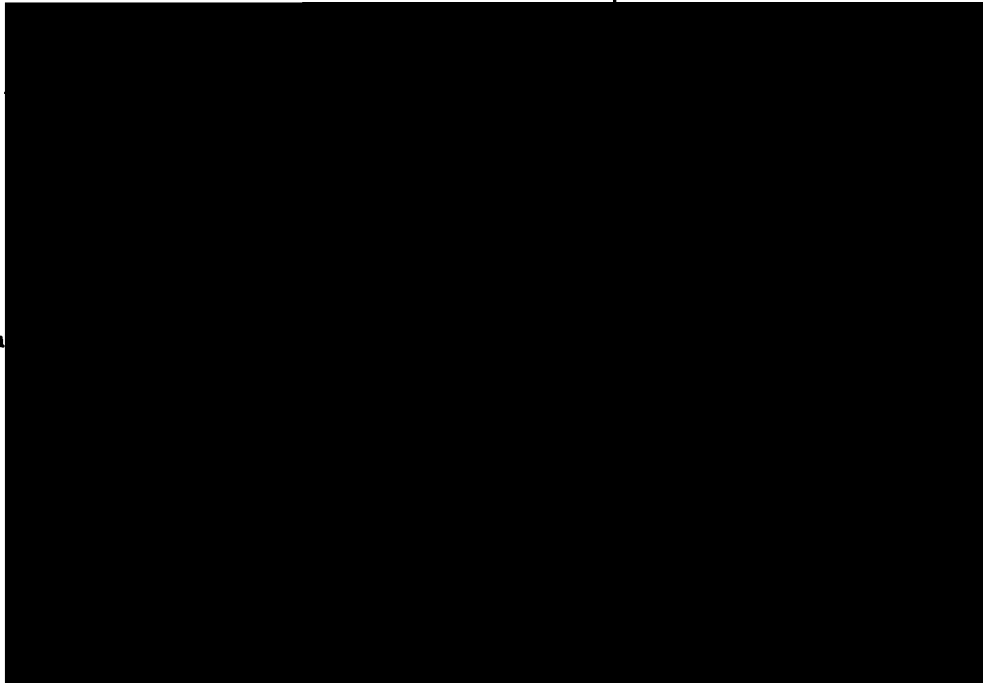
Real Property Tax Abatement

Indicate Real Property Abatement Formula: BG Warehouse LLC

Trenton Technology Inc.

Project Costs - Capital Investment

- Land
- Existing Building
- Rehab of Existing Building
- Construction of New Building
- Addition or Expansion
- Engineering and Architectural Fees
- Equipment (detail below)
- Legal Fees
 - Bank, Bond, Transaction, Company
 - Credit Provider, Trustee
- Finance Charges
 - Title Insurance, Environmental
 - Review, Bank Commitment Fee,
 - Appraisals, etc.
- Agency Fee



TOTAL COST OF PROJECT

Type of Equipment to be Purchased Manufacturing, Production
Equipment/fixtures

County Revolving Fund Loan _____
Other Grants or Loans TBD

Company Information:

Trenton Technology Inc.

Existing Jobs 182

Created Jobs (by year 3) 22

Retained Jobs 182

9/17/10

Taxable Goods and Services

	Spending Rate	Wages	Expenditures	Sales Tax Rate	State and Local Sales Tax Revenues	
Direct Jobs						
<u>16</u>	Created	36.0%		x 8.75%	=	
<u>182</u>	Existing	36.0%		x 8.75%	=	
Indirect Jobs						
<u>-</u>	Created	36.0%		x 8.75%	=	
<u>-</u>	Existing	36.0%	x 8.75%	=		
<u>60</u>	Construction	36.0%	x 8.75%	=		
Totals						

Local (3 year) real property tax benefit (assuming 75 % of jobs existing and created own a residence with an average assessment of \$ 80,000 and the remainder of jobs existing and created pay real property taxes through rent based on an average assessment per apartment of \$ 25,000

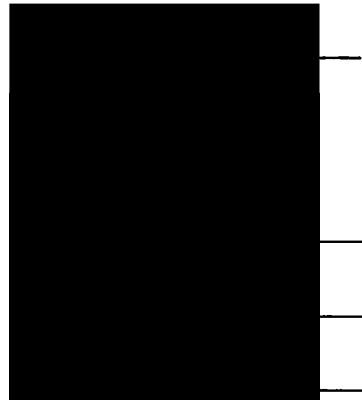
Real Property Taxes Paid

Costs

Real Property Taxes Abated on Improvements only (3-year period)

Mortgage Tax Abated

Estimated Sales Tax Abated During Construction Period



If there is tax-exempt financing of all or a portion of the project cost, there is a neutral cost/benefit because of lower interest rates by reason of exclusion of interest from gross income of bondholders for purposes of Federal and State income taxes. Taxable financing carries the same cost/benefit for State Income Tax purposes. Such cost/benefits cannot be qualified.