

**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: 1002 Oswego Street, LLC

Principal Address: 450 Tracy Street, Syracuse, NY 13204

Telephone Number: 800-772-1667

Federal Identification Number: ~~XXXXXXXXXX~~

Company IRS Filing Office Location: Kansas City, MO

Company Officer completing this application:

Name: James P Ranalli

Title: Member

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) Single Member LLC

B. State of incorporation, if applicable: _____

2. **Stockholders, Directors and Officers (or Partners)**

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>
James P Ranalli	XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXX	100%

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>
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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.

- United Auto Supply of Syracuse West, Inc.
 - 258 N Fourth Street, LLC
 - 46 Columbus Street Auburn Property, LLC
 - Cicero Properties, LLC
 - Tracy Street Property Management, LLC
 - UAS, LLC
 - 875 Waterman Drive, LLC
 - 942Route13,LLC
-
-

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:

- Extreme Properties, LLC, 50% Owner, 450 Tracy Street, Syracuse, NY
- North Geddes Street Properties, LLC, 25% Owner, 450 Tracy Street, Syracuse, NY

3. **Applicant's accountant**

Name and Title: Frank Discenza, CPA

Name of Firm: Testone Marshall & Discenza

Address: 432 N Franklin Street

Syracuse, NY 13204

Telephone Number: 315-476-4004

4. **Applicant's attorney**

Name and Title: Robert J. Smith, Esq.

Name of Firm: Costello, Cooney & Fearon, PLLC

Address: 500 Plum Street, Suite 300

Syracuse, NY 13204

Telephone: 315-422-1152

5. **References** (Individuals and institutions in this section may be contacted)

A. Banking/Financial Institution:

<u>Name of Institution</u>	<u>Address and Phone Number</u>	<u>Account Officer/ Contact Person</u>
XXXXXX	XXXXXXXXXXXX 315-456-1001 XXXXXX XXXXXX	XXXXXXXXXX

B. Business suppliers (list three largest accounts)

	Name of Supplier	Address and Phone Number	Account Officer/ Contact Person	Terms of Sale	Annual Dollar % Volume
1	XX XX	XX XX	XX XX	XXXXXXXXXXXX XXXXXXXXXXXX	XX XX
2	XX XX	XX XX	XX XX	XXXXXXXXXXXX XXXXXXXXXXXX	XX XX
3	XX XX	XX XX	XX XX	XXXXXXXXXXXX XXXXXXXXXXXX	XX XX

7. **Present location(s)**

A. List present location(s):

See attached location listing for United Auto Supply.

B. For what purpose is each of these used:

The Syracuse location serves as the current corporate headquarters for United Auto Supply, as well as a large distribution facility. All other United Auto Supply locations are distribution facilities.

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

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

See attached location listing for United Auto Supply.

Amount of Space Annual Rental Lease Termination Date

See attached location listing for United Auto Supply.

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

Annual Mortgage Payment Termination Date

See attached location listing for United Auto Supply.

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

Our current Utica location at 120 Genesee Street, New Hartford, approximately 10,000 sq. ft., will be relocated to the new site. Currently we have approximately 13 employees and we anticipate this will increase to 28 at the new location.

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

Nothing will be sublet or sold.

PART II

Reasons for Project

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

United Auto Supply is one of the largest wholesale distributors of automotive parts in the Country. United Auto Supply currently has a presence throughout New York State, portions of Pennsylvania and New England. The investment in the City of Utica will allow United Auto Supply to continue to grow while promoting the City of Utica and Central New York by creating a main hub for the distribution of our products to our most valued customers. The City's infrastructure and location are advantageous to the project and the site (and its zoning) will allow for a host of uses that will serve the area.

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

Assistance from the Utica Industrial Development Agency is necessary for this investment in the City of Utica community for various reasons. The applicant expects to invest over \$3 million of hard costs to transform a former environmentally contaminated parcel into a new commercial hub in this otherwise challenged area of the City. The associated benefits of the Industrial Development Agency's involvement, including PILOT Agreement for real estate taxes, relief from mortgage tax and real estate recording taxes, as well as sales tax benefits are necessary to make the project financially sustainable. The project anticipates expenses of over \$500,000 to address environmental conditions which made the development a much more significant challenge than a site without environmental liabilities. Further, the site involves entirely new construction on the premises and significant development costs, including right to building approvals.

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

In all likelihood, the project will not be financially viable without the full support of the Industrial Development Agency. Public assistance is necessary in order for the Company to invest in an environmentally challenged property located in an economically distressed portion of the City. The site's condition is currently expected to require an additional \$500,000 in development costs. Preferable alternatives include locating this use on another, otherwise clean location, outside of the City of Utica. Construction costs (\$3,000,000+) are increased because of the existing environmental conditions. Without Industrial Development Agency support through a PILOT and other Agency benefits, the project would not be viable.

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(X) | NO() |
| 2. Acquisition of existing building | YES() | NO(X) |
| 3. Renovations to existing building | YES() | NO(X) |
| 4. Construction of addition to existing building | YES() | NO(X) |
| 5. Demolition | YES() | NO(X) |
| 6. Construction of a new building | YES(X) | NO() |
| 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() |

Extensive site improvements, including landscape, site beautification, drainage improvements and management, environmental remediation expenses.

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

Planned Development - Extraordinary

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

Currently vacant. Formerly Heavy Industrial.

E. Location(s) Street Address Number of Floors Square Footage per Floor

Utica 1002 Oswego Street One - Two-Story (proposed) 45,600± sq. ft. total

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:

N/A

- 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.

The project consists of the acquisition of the 7.00+ acre former Bossert Site (currently vacant) and the construction of a 45,600+ sq. ft. one to two-story commercial facility to be operated as a regional hub for United Auto Supply. The facility will host a state of the art warehouse center, retail uses and offices associated with the overall project. Also included will be leased space for Tracey Road Equipment and an out parcel for a future convenience store. (Size to be determined). The project will include all site improvements, including drainage and landscaping, parking, etc.

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

N/A

3. What is the estimated useful life of the:

a. Facility: 45 years

b. Equipment: 10 - 15 years

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

Building construction materials (HVAC, plumbing, electrical), office equipment, office and warehouse furniture, computers, electronics, computer information systems, signage, security systems, lighting, landscape materials, paving, finish products (paint, trim, other finishes), warehousing equipment (fork lift, tow motors, etc.), vehicles (delivery trucks).

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:

N/A

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:

No zoning variances are anticipated. Project site plan and possible subdivision approvals will be required from the City of Utica.

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**

Long Environmental Assessment Form is attached.

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:

The premises and improvements will be held by a real estate holding company, 1002 Oswego Street, LLC. The company will lease to United Auto Supply, Tracey Road Equipment, another anticipated tenant and to the potential convenience store.

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

Name: Utica Urban Renewal Agency (City of Utica)

Address: One Kennedy Plaza

Utica, New York 13502

Telephone Number: (315) 792-0105

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

a. date of purchase: N/A

b. purchase price: N/A

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

a. balance of mortgage: N/A

b. holder of mortgage: N/A

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 (X) NO () If YES, please explain:

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:

Name of Tenant Term of Lease Renewal Options Square Footage Now Occupied

N/A

Are any of the above tenants related to the owner of the facility? YES () NO () N/A

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.

N/A

- 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:

It is anticipated that United Auto Supply, Tracey Road Equipment and another tenant will lease the entire facility once constructed. Square footage for each tenant will be determined as the project proceeds and as dependent on tenant needs. Also, the out parcel for a proposed convenience store will be leased.

- 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.

United Auto Supply currently has a location in the City of Utica (120 Genesee Street) which will be relocated to the proposed facility along with all of the employees from that location.

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:

The principal tenant will be United Auto Supply. United Auto Supply and the Applicant have a common ownership structure. (James P. Ranalli).

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.

Agreements are pending between the Utica Urban Renewal Agency and the Applicant.

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.

See Attached at Part II, 2.A-C

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

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			
Sales/Supervisory			
Clerical			
Plant/Production			
Other (specify)			

- 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):

Acquisition of Land	\$ <u>130,000</u>
Acquisition of Building(s)	\$ <u>N/A</u>
Renovation Costs	\$ <u>N/A</u>
New Construction of Buildings	\$ <u>2,508,000*</u>
Machinery and Equipment (other than furniture costs)	\$ <u>200,000 (machinery & equipment)</u> \$ <u>195,000 (vehicles)</u>
Fixtures	\$ <u>100,000</u>
Installation Costs	\$ <u>35,000</u>
Fees (other than your own counsel and brokerage fees)	\$ <u>50,000</u>
Architectural/Engineering Fees	\$ <u>112,000</u>
Interest on Interim Financings	\$ <u>140,213</u>
Other (specify)	\$ _____
Subtotal	\$ <u>3,470,213</u>
Agency Fee	\$ <u>11,720</u> <u>(\$8,470 Agency Fee + \$250 Application Fee + \$3,000 Annual Fee)</u>
Total Project Cost	\$ <u>3,481,933</u>

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

N/A

* An additional \$500,000 is anticipated as environmental expenses for additional remediation/construction costs. (Total \$3,008,000 expense for hard costs).

* Delivery trucks and automobiles to service United Auto Supply that will be dedicated to this project.

4. Real Estate Taxes

List separately the proposed project's Real Estate Taxes and/or Assessed Value as it applies to land and building: *The parcel is currently owned by a tax exempt entity -- the Utica Urban Renewal Agency. Due to current environmental conditions, the land valuation is unknown at this time.*

SUBJECT TO RE-ASSESSMENT

Project's	Real Estate Taxes	Assessed Value
Land(s)	\$	\$
Building(s)	\$	\$
Total	\$	\$

5. Project Schedule

Indicate the estimated dates for the following:

- a. Construction commencement: June 5, 2012
- b. Construction completion: August 1, 2013
- c. Project financing: List the dates and in what amounts the estimated funds will be required:

June 2012 - Construction Loan Financing (TBD)

- 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:

City of Utica

- 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):

In excess of \$3,000,000

- 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.

N/A

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 () NO (X) If YES, please give details:

N/A The applicant is not seeking the issuance of Bonds by the IDA, however the project financing will be sought from a local banking institution.

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:

Financing will occur through a local financial institution.

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

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

NO

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

N/A

E. Financial Information (Attach the Following).

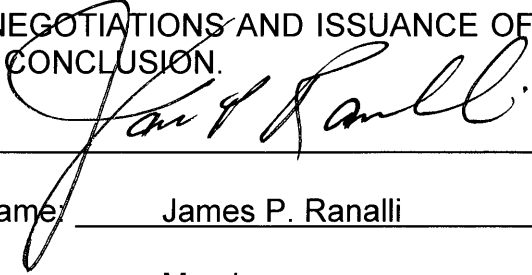
1. Financial Statements for the last three fiscal years.
2. Pro forma Balance Sheet as at start of operations at project site.
3. Projected Profit and Loss Statements for first two years of operation at project site.
4. Projected "Cash Flow" Statement, by quarters, for first year of operation at project 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 ATTENDANT NEGOTIATIONS AND ISSUANCE OF BONDS WHETHER OR NOT CARRIED TO A SUCCESSFUL CONCLUSION.

Signature: _____



Print or Type Name: _____

James P. Ranalli

Title: _____

Member

Date: _____

April 5, 2012

Return the original application and seven 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.

CITY OF UTICA INDUSTRIAL DEVELOPMENT AGENCY ANNUAL JOB MONITORING REPORT

COMPANY NAME: _____ ADDRESS: _____
PHONE NO. _____

EMPLOYER REGISTRATION NO: _____ CONTACT PERSON: _____
(name & title) _____

ORIGINAL PROJECT DATE: _____

Please fill in the following information for the reporting period January 1, 201 _____ – December 31, 201 _____.

FULL TIME EMPLOYEES *

*Note: A full-time employee works 35-40 hours per week. Use a fraction for part-time employees (i.e., .5 = 1 employee working 17 1/2 to 20 hours per week.)

Permanent Occupations In Company	Current Employment (prior to Original Project Date)	# of Emp. Hired During Reporting Period	# of Male Employees	# of Female Employees	White	Black/African American	Hispanic	Asian
Management								
Professional								
Clerical								
Sales								
Service								
Construction								
Manufacturing								
Skilled								
Semi-Skilled								
Unskilled								
Other (Describe)								
Total:								

Are you planning any additional increase or decrease in your employment workforce in the foreseeable future? YES NO

If yes, please describe:

The information included herein is correct to the best of my knowledge and belief,

Company Official Date