

Wyoming County
Industrial Development Agency
Lease/Leaseback Assistance Application

Wyoming County

INDUSTRIAL DEVELOPMENT AGENCY

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Wyoming County

Industrial Development Agency Introduction

The applicant is responsible for the submission of a complete financial assistance package, which includes:

1. Completed Lease/Leaseback Assistance Application and all supporting Documents.
2. Completed Full Environmental Assessment Form (see page 11)
3. Completed APPENDIX A: EMPLOYMENT IMPACT (page 12)

Please note

The Wyoming County Industrial Development Agency (WCIDA), in its discretion, may require an environmental audit with respect to the proposed site of this project. If such an audit is prepared for others, including the Company or a lender, such an audit shall be provided to the WCIDA.

ANY APPLICATION WHICH IS INCOMPLETE OR CONTAINS INSUFFICIENT INFORMATION AND SUPPORTING DOCUMENTATION WILL BE RETURNED TO THE APPLICANT

AN ADMINISTRATION FEE IS PAYABLE TO THE WYOMING COUNTY IDA AT A LATER DATE. THE FEE IS CALCULATED AS FOLLOWS:

Sales Tax Exemption Only- If a project applicant receives sales tax exemption only incentive, the fee will be 1% on the value of the items that are subject to sales tax.

Sales and Mortgage Recording Tax Exemption- If a project applicant receives both sales and mortgage tax incentives the fee will be 1% of the highest value receiving an exemption.

Sales and mortgage tax exemption and real property tax abatement (PILOT)- If the applicant receives all three incentives the fee will be 1% of the total project cost.

WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY
APPLICATION FOR LEASE/LEASEBACK ASSISTANCE

Applicant Information

Company Name Dragow, Inc.
Address 4150 Poplar Tree Rd. Gainesville, NY 14066
Phone number 585-786-3603
Fax number 585-786-3527
Contact Person Karl Drasgow
E-mail of contact karl@drasgowinc.com
Federal ID 37-1471145
Type of Business: Manufacturing
NAICS Code: 332710

Incentives Applying for: Sales Tax Mortgage Recording Real Property (Check all that apply)

Corporate Structure

Corporation

Partnership: general limited

Number of general partners _____ and, if applicable,

Number of limited partners _____

Limited Liability Company /Partnership

Number of members/partners _____

Sole Proprietorship

Date of establishment/incorporation 2003 Place of organization 4150 Poplar Tree Rd.

Is the applicant authorized to do business in the State of New York? yes

Names and titles of principal officers and owners:

Karl Drasgow- Owner

Applicant's Counsel

Name Gordon Brown
Address 3590 Seneca Street
West Seneca, NY 14224
Phone number (716) 675- 8620 e-mail: _____

Project Information

PROJECT TYPE

- New building and/or equipment
- Refinancing
- Transfer
- Additional facility
- Amendment
- Second mortgage
- Other Building Addition

Describe the proposed acquisition, construction or reconstruction, purchase of equipment and other project items. Explain the reason for the project and the benefits for the applicant.

Explain how the project will be used. (Attach an additional page if necessary.)

Drasgow is struggling to keep up with demand for our products. With the current exodus of people leaving upstate NY; Drasgow is having trouble finding new employees. Finding new employees willing to work off shifts is nearly impossible. Drasgow would like to enlarge our building to increase employment on the Day shift.

The building addition would also enable us to improve material and part flow through the Plant and improve our overall efficiency to keep up with existing demand and better prepare for future increases in sales.

Project Address: 4150 Poplar Tree Rd. Gainesville, NY 14066

Municipalities and school district: Warsaw Central School

Tax map number: 106.-2-54.112 / 106.-2-71.2 Current assessed value: \$561,000 / \$61,800

Present record owner of the site: Karl Drasgow

Proposed record owner of the site: Karl Drasgow

Site zoning: Current N/A

Proposed _____

Necessary variances: _____

Principal use of project upon completion: Manufacturing

Size of building/addition: Current building 15,786 square feet. New addition 4,356 square feet

Type of building: Pole Barn

If project site is not presently owned, is it under purchase contract/option? _____

Explain: _____

Will the project be subleased? No If so, please attach a copy of such sublease, if available.

Please explain, including relationship of sublessee to applicant:

Is there likelihood that the project would not be undertaken but for the financial assistance provided by the Agency? (YES) or NO

If "No" and project could be undertaken without financial assistance provided by the Agency include a statement indicating why the project should be undertaken by the Agency

Will the project result in the removal of a plant or facility of the applicant's or another proposed occupant of the project from one area of New York to another area of the state? No

Will the project result in the abandonment of one or more plants or facilities of the applicant or other occupant of the project located in New York State? No

If the answer to either of the proceeding two questions was "yes", please answer the following two questions:

1. Has the applicant or another proposed occupant of the project considered removing such other plant or facility to a location outside of New York State?

If yes, please explain in detail:

N/A

2. Is the project reasonably necessary to preserve the competitive position of the applicant or another proposed occupant of the project in its respective industry? No

If yes, please explain in detail:

N/A

Does the project include facilities or property which will be primarily used in making the following sales to customers who personally visit such facilities: (i) sales of personal property which are subject to sales tax or (ii) sales of services? No If the answer is "yes", is the cost of the facilities or property more than one-third (1/3) of the total project cost? _____

If the answer to both questions was "yes", please answer the following two questions:

1. Is the project a "tourism destination" which is likely to attract a significant number of visitors from outside the region? No

If yes, please explain in detail:

2. Is the predominate purpose of the project to make available goods or services which would not otherwise be reasonably accessible to residents of the municipality in which the project is located? No

If yes, please explain in detail: _____

Employment Information

Estimate the number of jobs to be created by this project, and the annual payroll, over the next three years.

	Jobs	Annual Payroll
A.) Current in County:	20	\$ 1,040,000
Project: Year 1 in County	1	\$ 1,083,000
Year 2 in County	1	\$ 1,126,000
Year 3 in County	1	\$ 1,169,000

B.) Projected Employment: Applicant or principal user(s) must complete Appendix A: (attached)

Project Costs and Financing and Estimated Exemptions Sought

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 Benefits

Building Construction or Renovation	\$ 275,000 EST
Site-work	\$ 80,000
Non-manufacturing equipment	\$ 85,000
Furniture, Fixtures	\$ N/A
Other: (Specify) _____	\$ -
Subtotal:	\$ 440,000

Estimated Costs Not Subject to Sales Tax

Land and/or building purchase	\$ -
Manufacturing Equipment	\$ 200,000
Soft costs:	
Engineering	\$ 5,000
Architect	\$ 5,000
Fees/permits	\$ 20,000
Other : Specify <u>Legal</u> _____	\$ 20,000
TOTAL PROJECT COST	\$ 690,000

* Total Cost does not include WCIDA Administrative and/or Legal Fees.

B. Indicate how the project will be financed

Bank Financing (Name of Bank) <u>The Bank of Castile</u>	\$ 450,000 EST
Equity	\$ <u>240,000</u>
Public Financing	\$ _____
Tax Exempt Bond	\$ _____
TOTAL SOURCES	\$ <u>690,000</u>

Expected mortgage, if any, necessary to finance this project: \$ 450,000

C. Estimated Value of Exemptions Sought

Sales and Use Tax	\$ 25,000
Real Property Tax (to be provided by the Agency)	\$ 99,000
Mortgage Tax	\$ 6,000

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, then 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 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) (or any successor legislation) in which the project is located.
- B) First Consideration for Employment.** In accordance with Section 858-b(2) of the New York State General Municipal Law, the Applicant understands and agrees that, if the Project receives any financial assistance from the Agency, then except as otherwise provided by collective bargaining agreements, where practicable, the Applicant will first consider persons eligible to participate in Workforce Investment Board (WIB) programs who shall be referred by the WIB 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 State 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, the Applicant will 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 the sales tax exemptions claimed by the Applicant and all consultants or sub contractors retained by the Applicant. In addition, the Applicant shall be required to report to the Agency, at such times as the Agency may require (or as otherwise prescribed by the Department of Taxation and Finance), the value of all sales tax exemptions claimed by the Applicant and all consultants and subcontractors retained by the Applicant. If the Applicant claims an exemption from sales taxes for property or services not approved by the Agency, or for Project Costs in excess of the costs approved by the Agency, or fails to comply with the terms of any agreements entered into with the Agency, the Applicant will be required to pay the Agency the New York State portion of any sales tax for which an exemption was improperly claimed.
- D) New York State Department of Taxation and Finance Form ST-60.** In accordance with Section 874(9) of the New York General Municipal Law, the Applicant understands that the Applicant and each agent, subagent, contractor and/or sub contractor appointed by the Applicant and claiming a sales tax exemption in connection with the Project must complete a New York State Department of Taxation and Finance Form ST-60. Original copies of each completed Form St-60 must be delivered to the Agency within five (5) days of the appointment of the Applicant or any such agent, subagent, contractor and/or subcontractor as agent of the Agency for purposes of completing the Project. Failure to comply with these requirements may result in loss of sales tax exemptions for the Project.

	Full Time	Part Time	Total	Total Payroll
CURRENT EMPLOYMENT				
Number of employees within Wyoming County at the date of application	<u>19</u>	+ <u>1</u>	= <u>20</u>	\$ <u>1,040,000</u>
PROPOSED EMPLOYMENT				
ADD: Number of jobs created within Wyoming County during first year after completion	<u>1</u>	+ <u>0</u>	= <u>1</u>	
Total end of First Year	<u>20</u>	+ <u>1</u>	= <u>21</u>	\$ <u>1,083,000</u>
ADD: Number of jobs created within Wyoming County during second year after completion	<u>1</u>	+ <u>0</u>	= <u>1</u>	
Total end of Second Year	<u>21</u>	+ <u>1</u>	= <u>22</u>	\$ <u>1,126,000</u>
ADD: Number of jobs created within Wyoming County during after completion	<u>1</u>	+ <u>0</u>	= <u>1</u>	third year
Total end of Third Year	<u>22</u>	+ <u>1</u>	= <u>23</u>	\$ <u>1,169,000</u>

Current Job Categories: Positions within Wyoming County at the date of application

# Management jobs ^{1 up / 3 mid} <u>16</u>	Average annual salary	\$ <u>75,000 / 60,000</u>
	Including benefits	\$ <u>45,000</u>
# Non- management jobs <u>0</u>	Average annual salary	\$ <u>-</u>
	Including benefits	\$ <u>-</u>

Job Categories to be Created: Positions created after Agency involvement

# Management jobs <u>0</u>	Estimated Average annual salary	\$ <u>-</u>
	Including benefits	\$ <u>45,000</u>
# Non- management jobs <u>3</u>	Estimated Average annual salary	\$ <u>-</u>
	Including benefits	\$ <u>-</u>
# Other category <u>0</u>	Estimated Average annual salary	\$ <u>-</u>
	Including benefits	\$ <u>-</u>

Expected High Salary of NEW jobs created: 43,000 / yr
 Expected Low Salary of NEW jobs created: 43,000 / yr

Please indicate the expected percentage of positions to be filled by residents within a 50 mile radius of your project location: 100 %

Applicant or Principal user(s)
Karl Drasgow
 Print Name

[Signature]
 Signature

4-6-21
 Date

E) Annual Employment Reports. The Applicant understands and agrees that, if the Project receives any financial assistance from the Agency, the Applicant will file, or cause to be filed, with the Agency, on an annual basis, reports regarding the number of people employed at the Project site, including job categories and average annual salaries with benefits.


F) Absence of Conflicts of Interest. The Applicant has received from the Agency a list of the members, officers and employees of the Agency. No members, officers or employee of the Agency has an interest, whether direct or indirect, in any transaction completed by the Applicant, except as hereinafter described:

G) State Environmental Quality Review Act Compliance. The Agency, in granting financial assistance to the Applicant, is required to comply with the New York State Environmental Quality Review Act ("SEQR") and must complete necessary determinations required thereunder. Consequently, the Applicant has completed and attached hereto appropriate Environmental Assessment Forms, with respect to the Project. The Applicant understands that, at its sole expense, it is required to take all necessary action in order for the Agency to comply with the requirements of SEQR, and including through a lead agency other than the Agency in the case of a coordinated review.

The Applicant and, if applicable, the individual executing this Application on behalf of the Applicant, acknowledges that the Agency will rely on the representations made herein when acting on this Application and hereby represent that the statements made herein do not contain any untrue statement of material fact and do not omit to state a material fact necessary to make the statements contained herein not misleading. The Applicant acknowledges that the submission of any knowingly false or knowingly misleading information may lead to the immediate termination of any financial assistance and the reimbursement of an amount equal to all or any part of any tax exemptions claimed by reason of involvement of the Agency in the Project.

The Applicant certifies that the Applicant and any proposed occupant of the Project or other party receiving financial assistance in connection with the Project is in substantial compliance with applicable local, state and federal tax, worker protection and environmental law, rules and regulations.

This Application is subscribed and affirmed by the Applicant under penalties of perjury.

By: 
(Applicant) Name: Karl Drasgow
Title: President

This application should be submitted to the Wyoming County Industrial Development Agency, 36 Center Street, Suite D, Warsaw, New York 14569.

NOTE: PLEASE DO NOT SIGN THE FOLLOWING CERTIFICATION UNTIL THE WCIDA STAFF HAS VERIFIED THAT THE APPLICATION IS COMPLETE.

Certification

Karl Drasgow (name of representative of entity submitting application, or name of individual submitting application) deposes and says that she/he (choose and complete one of the following two options) (i) is a/the President (title) of Drasgow, Inc. (company name), the entity named in the attached application, or (ii) is the individual named in the attached application; that she/he has read the foregoing application and knows the contents thereof; and that the same is true to his/her knowledge.

Deponent further says that s/he is duly authorized to make this certification on behalf of her/himself or on behalf of the entity named in the attached application. The grounds of deponent's belief relative to all matters in 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, if deponent is not an individual applicant, information acquired by deponent in the course of his/her duties in connection with said entity and from the books and papers of said entity.

As (i) the representative of said entity, or (ii) the individual applicant (such entity or individual applicant hereinafter referred to as the "Applicant"), deponent acknowledges and agrees that the Applicant shall be and is responsible for all costs incurred by the Wyoming County Industrial Development Agency (hereinafter referred to as the "Agency") acting on behalf of the Applicant in connection with this application and all matters relating to the provision of financial assistance to which this application relates. If, for any reason whatsoever, the Applicant fails 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, then upon presentation of an invoice, the Applicant shall pay to the Agency, its agents or assigns, all actual costs incurred with respect to the application up to that date and time, including fees to transaction counsel for the Agency and fees of general counsel for the Agency. Upon the successful conclusion of the transaction contemplated herein, the Applicant shall pay to the Agency an administrative fee set by the Agency in accordance with its fee schedule in affect of the date of the foregoing application, which amount is payable at closing.

Name: [Signature]
Title: PRESIDENT

Robin L. Marschilok
Notary Public, State of New York
Steuben County, #01MA6230381
Commission Expires 11-01-22

Sworn to before me this 6th day of April, 2021. [Signature]

(seal)

Wyoming County
Industrial Development Agency
Environmental Assessment Form

Internet link address:

This form is immediately available as either a printable version via the Internet or filled out entirely online via the Internet.

PRINTABLE VERSION

To download a PDF (Portable Document Format) to your computer go to:

New York State Website: <http://www.dec.ny.gov/permits/6191.html> Be certain to select the **Full Environmental Assessment Form** and download to your computer.

ONLINE VERSION

To fill out this form online:

- Go to the New York State website
- <http://www.dec.ny.gov/permits/6191.html>
Be certain to select the **Full Environmental Assessment Form** and download to your computer
- Read and follow the instructions on how to fill out this form online • **NOTE:** This form contains many questions. Even though many are comprised of simple check boxes, be advised that this form may take an hour or more to complete online.

Please complete and sign the State form and submit it, along with your finished application to the Wyoming County IDA office.