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TOWN OF LOCKPORT

APR 23 2013

INDUSTRIAL DEVELOPMENT AGENCY

TOWN OF LOCKPORT INDUSTRIAL DEVELOPMENT AGENCY

6560 Dysinger Road
Lockport, NY 14094
(716) 439-9535

APPLICATION FOR INCENTIVES

Project Applicant: GJH Acquisition LLC
Project Title: Gooding Co Expansion 2015 GJH Acquisition, LLC
Total Project Cost: \$ ~~900,000~~ +/- \$700,000 +/-
Date of Application: 4/22/13 8/24/15

- Type of Project*:
- Acquisition of Existing Facility
 - Civic Facility (Not for Profit)
 - Commercial
 - General Office
 - Industrial/ Producer Services
 - Life Care Community
 - Multi-tenant Facility
 - Research & Development
 - Retail
 - Other Manufacturing

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Location of Project: 5568 DAVISON Rd, Lockport
Bank: M+T BANK

* All projects will be reviewed and approved in accordance with the provisions of Article 18A of the New York State General Municipal Law. In certain instances, project applicants may be required to complete a retail questionnaire supplement based on the information contained within this application.

Date Application Received: RECEIVED APR 23 2013 For Office Use Only Project #: 29011504
Date of approval by IDA Board: _____
Date copy was forwarded to IDA Counsel: 4/23/13
Check Amount: \$1000.00 Received on: 4/23/13 Date remitted to IDA CFO: 4/23/13

1 11/10/15 11/10/15

Please fill in all blanks, using "None" or "Not Applicable" where necessary. If an estimate is given, put "EST" after the figure. Attach additional sheets if necessary. This application may be used to determine the Applicant's eligibility for any of the benefit programs of the Town of Lockport IDA, an extension of the current benefits and/or an expansion of the Applicant's current project. In certain instances, additional information may be required.

I. PROJECT APPLICANT

A. Project Applicant: G J H Acquisition LLC

B. Company Officer (Partner) completing this application:

Name: GERALD J HACE

Title: Member

Business Address: 132 Lakefront Blvd. #801
Buffalo NY 14202

Telephone: (716) 362-0051

Email: gjh@goodingcoinc.com

Website: www.theinsentoutsentExperts.com

C. IRS Identification Number: 16-1561131

D. Is Applicant currently receiving assistance from the Town of Lockport IDA?
 Yes No

E. Business Organization:

- Company
- Corporation
- Joint Venture
- Limited Liability
- Partnership
- Sole Proprietorship
- Other (specify) _____

F. State of Incorporation or Organization: NYS

G. Business Description: MANUFACTURER OF PRINTED
INSTRUCTION SHEETS FOR THE
PHARMACEUTIC, MEDICAL DEVICE AND
CONSUMER PRODUCTS INDUSTRY

H. If Applicant is a corporation, is it publicly or privately held?
 Public
 Private

I. List officers, stockholders, members or partners in the Company **

Name	Percentage	Home Address
GERALD J HACE	50%	132 Lake Front Blvd
FRANCIE HACE	50%	same

** If the Company is publicly owned, it can answer this and other succeeding questions by reference to an attached copy of the company's most recent Form 10-K (Company means ultimate project occupant where known, otherwise the developer).

J. Is the Applicant/Company related, directly or indirectly, to any other entity by more than 50% common ownership? If so, indicate name of such entity and the relationship:

Gooding Co Inc - Tenant

K. If any of the persons or group of persons listed in the response to question J above owns more than 50% of the Company, list all other entities which are related to the company by virtue of such person (or group of persons) having more than a 50% interest in such other entities:

GERALD J HACE

L. Is the Applicant/Company affiliated with any other entity, directly or indirectly, other than as indicated in response to questions J & K above? If yes, indicate name and relationships of such other entity and the address thereof:

N/A

M. Has the Applicant/Company (or any entity listed above) made a public offering or private placement of its stock within the last year? If so, please provide Offering Statement used.

 Yes X No

N. Complete the following information:

Officers and Directors

Phone

GERALD J HACE 716-362-0051

O. Applicant Counsel: _____

1. Name of Attorney: Nickolas P. Amigone III
2. Name of Firm: Amigone, Sanchez, Matthey + Mangano
3. Address: 1300 Main Place Tower, Buffalo 14202
4. Telephone Number 716-852-1300 Fax: 716-852-1344
5. Email: HAMILTON@AMIGONESANCHEZ.COM

- P. Applicant Accountant: _____
1. Name of Accountant: Scott Cain
 2. Name of Firm: WITTLIN, CAIN + DRY
 3. Address: 175 WALNUT ST, suite 2 Lockport
 4. Telephone Number: 716-438-2190 Fax: 716-438-2450
 5. Email: scain@wcdcpas.com
 6. Principal Bank: N/A

- Q. Is the Applicant and/or any person listed in item I:
1. Now a plaintiff or a defendant in any civil or criminal litigation?
 Yes No
 2. Ever been convicted of a crime (other than a minor traffic violation)?
 Yes No
 3. Been declared bankrupt within the last 10 years? Yes No
 4. Delinquent in the payment of any state or municipal property taxes?
 Yes No
 5. Delinquent in the payment of any income tax obligation? Yes No
 6. Delinquent in the payment of any loans? Yes No
 7. Currently in default on any of its loans? Yes No
 8. The subject of any unsatisfied judgment? Yes No

If the answer to any of the questions in Section Q is Yes, please furnish details in a separate attachment.

II. DESCRIPTION OF PROJECT OCCUPANT

A. Applicant/Company History

1. Location of current facility:
 Address: 5568 DAVISON Road
 City: Lockport State: NY Zip: 14094
 Telephone: 716-362-0051 Fax: 716-434-9778
2. NAICS Code: 31-33 Manufacturing
3. Description of current facility: 16,500 Brick + Metal
office and manufacturing
 Number of buildings: 1
 Square footage of facilities: 16,500
 Own or Rent present facilities

4. Is the facility currently receiving property tax abatement? Yes No
 If Yes, at what date does this abatement expire: 6/2015
5. Does the project involve the relocation of a company(s) from another municipality within Niagara County? Yes No
6. If Yes, has the Supervisor / Mayor been notified?
 Yes No (Please provide additional information if necessary)

- B. Principal product / service: Printed Instruction sheets
for the pharmaceutical, Medical device
and consumer products Industry.
- C. Percentage of Gross Revenue (from products & services) derived from sales outside of Niagara County: \$5MM + 95% \$6.5MM @ 95%
- D. Market served: National / International

III. ELIGIBILITY

- A. What effect will this project have on your business (why is it necessary)?
growth in sales, space restrictions
- B. Is Agency participation necessary for this project to proceed?
yes
- C. Is the project occupant moving its entire operation to this proposed facility or a Division thereof? Yes No
 Does the project involve the consolidation of existing facilities? Yes No
- D. Is this project necessary to prevent the Applicant/Company from moving out of Niagara County and / or New York State and / or to remain competitive with its industry? yes
- E. What are the current market conditions which necessitate the construction of this project? Add'l space required on a move
would be required.
- F. Describe any unique features / effects that this project will have on the area:
Increased Employment, clean and
maintained facility in lockport

IV. PROJECT INFORMATION

A. Summary of Project: (Identify each element of the project)

Does the project consist of (check appropriate categories):

	Yes	No
1. Acquisition of vacant land		X
2. Land Lease		X
3. Construction of a new building If Yes, indicate number and size		X
4. Renovations to an existing building If Yes, indicate nature of renovations <u>upgrades</u>	X	
5. Construction of an addition to an existing building If Yes, indicate nature of expansion <u>12-15,000^{10,000} sq ft.</u>	X	
6. Acquisition of an existing building If Yes, indicate number and size of buildings		X
7. Acquisition, installation of machinery and/or equipment	X	
8. Equipment lease		X

B. Site Plan Approval

1. Have site plans been submitted to the Town Planning Department for approval?

Yes No Date of submittal and current status: _____

If Yes, state date of submittal and current status, also include one set of plans/renderings with this application.

2. Have any plans been submitted to the US Army Corps of Engineers and the NYS Department of Environmental Conservation for approval?

Yes No

If YES, date of submittal and current status: _____

3. Identify school district pertaining to Project location: Lochport

4. Utilities and services presently serving site. Provide name of utility provider.

Gas	NYSEG	Size
Electric	NYSEG	Power
Water	TOWN Lockport	Size
Sewer	TOWN Lockport	Size
Other (Specify)		

C. Project Site

1. Are there buildings now on the project site? Yes No
2. Indicate the present use of the project site: Manufacturing
3. Indicate present owner(s) of project site: GTH Acquisition
4. If the Applicant/Company now owns the project site, indicate:
 - a. Date of purchase: 12/1990
 - b. Purchase price: \$852,000
5. Has the Applicant/Company entered into a contract and/or option to purchase the site? Yes No
6. If the Applicant/Company is not the owner of the project site, does the Applicant/Company now lease the site or any buildings on the site? Yes No
7. Is there a relationship legally or by virtue of common control or ownership between the Applicant/Company and the seller of the project: Yes No
If Yes, describe the relationship: OWNER/TENANT
8. Is the proposed Project Site located on a site where the known, or potential presence of, a contaminant is complicating the development/use of the property? Yes No
9. If so, is this a "Brownfield" project? Yes No
10. Has a Phase I Environmental Assessment been prepared or will one be prepared with respect to the property? Yes No
11. Have any other 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 No
12. If any space in the project is to be leased to third parties, indicate total gross square footage of the project, percent and square feet to be leased to each tenant, and proposed use by each tenant (attach signed leases, if any) 100 70

13. List principal items or categories of equipment to be acquired as part of the project: 130 panel Folding System

14. Has any of the above equipment been ordered or purchased? ___ Yes No
If Yes, indicate items: _____

15. Total Estimated Project Costs

<u>Description of Costs</u>	<u>Allocations of Costs</u>	
Land	\$	N/A
Building(s)	\$	434,000 360,000
Renovation	\$	10,000 done 2014
Equipment	\$	225,000 210,000
Site Work & Preparation	\$	166,000 100,000
Installation	\$	
Interest during Construction	\$	14,000 10,000
Engineering Fees	\$	20,000 done 2014
Architectural Fees	\$	15,000 done 2014
Agency Fees	\$	9,000 9,000
Legal Fees	\$	5,000 5,000
TOTAL	\$	900,000 700,000

16. Have any of these expenditures already been made by the Company?
___ Yes No If Yes, indicate particulars: _____

17. Project Schedule: Indicate the estimated date for:

a. Commencement of construction: Aug / Sept 2013

b. Completion of construction: JAN 2014

18. Is this a single phase or multi-phase project? Single ___ Multi

Phase I Activities: ERECT NEW ADDITION

Phase II Activities: _____

Phase III Activities: _____

D. Project Employment Information

NOTE: Please calculate full time equivalent employees (approximately two part time employees equals one full time employee). Report information for the Town of Lockport Facility only.

1. Will Niagara County contractors and/or sub-contractors be utilized for the Construction project? Yes No
2. What is the estimated number of construction jobs to be created at the project site from: Niagara County Erie County Other areas
UNKNOWN
3. What is the present number of employees of the Applicant/Company before IDA Status? # Full Time Equivalent Employees: 35 38
Estimated Annual Salary: 1.6 million 1.72 million
4. Estimate how many full time/ part time jobs will be retained as a result of this project over the next three years:
Full Time 35 38 Part Time _____
Estimated annual salary range of jobs to be retained
From \$ 31,000 1.6 million to \$ 75,000
5. Estimate how many full time/ part time jobs will be created as a result of this project over the next three years:
Full Time 6-10 Part Time _____
Estimated annual salary range of jobs to be created
From \$ 225,000 31,000 to \$ 350,000 45,000
6. Approximate Annual Applicant/Company Sales for previous year:
\$5.2 million 5.2 million

V. PROJECT FINANCING

A. Financial and Feasibility Data

Provide any marketing, economic, business plan or feasibility studies that have been developed particularly for this facility. The Agency may also require financial statements for the last three (3) years.

B. Financial Assistance Requested from the Agency

1. Is the Applicant requesting a real property/tax abatement (payment in lieu of taxes agreement)? Yes No

2. Is the Applicant expecting to be appointed agent of the Agency for purposes of being exempt from payment of NYS Sales and Use Tax Abatement? Yes No

If Yes, what is the approximate amount of purchases which the Applicant expects to be exempt from the NYS Sales and Use Taxes?

\$ 100,000

3. Is the Applicant expecting to be appointed agent of the Agency for purposes of being exempt from payment of Mortgage Tax Abatement?

Yes No

4. Is the Applicant expecting that the financing of the project will be secured by one or more mortgages? Yes No

If Yes, what is the approximate amount of financing to be secured by mortgages? \$ 600,000

CERTIFICATION

(to be executed by the principal of the Applicant)

I. Gerald J HACE affirms under penalty of perjury he/ she is the Member of GJM Acquisition LLC named in the attached Application (the "Applicant"); that he/she has read the foregoing Application and knows the content thereof, and that the same is true to his/her knowledge, upon information and belief.

II. As an officer of the Applicant, deponent acknowledges and agrees that the Applicant shall be and is responsible for all cost incurred by the Agency and all legal counsel for the Agency, including its general counsel and/or bond/transaction counsel, whether or not the Application, the proposed project it describes, the attendant negotiations, or the issue of bonds or other transaction or agreement are ultimately ever carried to successful conclusion and agrees that the Agency be held 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 Application, regardless of whether or not the Application or the proposed project described herein or the tax exemptions and other assistance requested herein are favorably acted upon by the Agency, (B) the Agency's acquisition, construction and/or installation of the proposed project described herein, and (C) any further action taken by the Agency with respect to the proposed project.

III. By executing and submitting this Application, the Applicant covenants and agrees to pay the fee to the Agency and the Agency's general counsel and the Agency's transaction counsel, as well as fees of other consultants, if any, retained by the Agency in connection with the proposed project.

IV. By executing and submitting this Application, and in the event the closing does not occur, the Applicant further covenants and agrees to pay the fees of the Agency and the Agency's general counsel and the Agency's transaction counsel incurred and to forego the application fee.

V. By executing and submitting this Application, the Applicant covenants and agrees to comply with the reporting requirements as required of or determined by the Agency, from time to time.

The Applicant is aware and acknowledges that according to the New York Public Officer's Law, Article 6, Freedom of Information Act, the public has the right to request information about the project and the Applicant, and that in accordance with Public Officer's Law Article 7, all meetings of the Agency are open to the public.

The Applicant and the individual executing this Application on behalf of the Applicant acknowledge that the Agency and its counsel will rely on the representations made in this Application and, if applicable, made in related Addenda, when acting hereon and hereby represents that the statements made herein and therein do not contain any untrue statements of material fact and do not omit to state a material fact necessary to make the statements contained herein or therein misleading.

Company/Applicant: G J H Acquisition LLC

Name/Title (print): Member

Signature: 

 8/24/15

Monday, August 24, 2015

David R Kinyon
Administrative Director
Town of Lockport IDA
6560 Dysinger Road
Lockport, NY 14094-7970

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AUG 24 2015

INDUSTRIAL DEVELOPMENT AGENCY

As per your request, David...

enclosed is an updated application for incentives. I simply updated in "red" the April 22, 2013 original. As you can see the overall value of the project dropped to \$700,000.

Here are the main differences that affected the overall costs.

- Square footage of the expansion has been reduced to 10,000 sq. ft.
- Equipment purchase, I did purchase the 130 panel machine in June of 2013. We plan on upgrading our current 210 machine to a 266 panel machine to meet market demand for larger flat sheets folded to the same finished sizes.
- Eliminated a second loading dock

Dave as you are aware, there is still a possibility the FDA will make a rule change that could affect one of our primary products, the "Package Insert" meant for the professional (physician and/or pharmacist). If it does go through, my belief, it will be phased in over a 2-3 year period. We have already made plans to change our market mix and have begun to execute.

Regarding sales, I indicated on the application 2014 sales @ \$5.2 million after 2013 @ \$6.5 million. 2014 experienced a soft 1st quarter returning to a run rate of \$6.5 million the balance of the year. 2015 is projected to return to the \$6.5 million & growing.

Let me thank you & the Board for their patience with Gooding. The FDA proposed rule change did put a great deal of uncertainty in our plan(s). The result is a conservative and slightly scaled down version with the option to expand once again in the future should we receive clarity from Washington & the FDA.

As always, the Gooding Associates and I appreciate the TLIDA's consideration

Respectfully
GJH Acquisition, L.L.C.

Gerald J. Hace
Member