



Crosspoint Parkway

Section I: Applicant Background Information

Applicant Information - Company Receiving Benefit

Project Name	Buffalo Expansion
Applicant Name	Pionne Corbin
Applicant Address	300 Crosspoint Parkway
Applicant Address 2	
Applicant City	Getzville
Applicant State	New York
Applicant Zip	14068
Phone	716-276-4010
Fax	
E-mail	Picorbin@geico.com
Website	www.geico.com
Federal ID#	53-0075853
NAICS Code	524126
Will a Real Estate Holding Company be utilized to own the Project property/facility	No
What is the name of the Real Estate Holding Company	N/A
Federal ID#	
State and Year of Incorporation/Organization	1936 in Texas
List of stockholders, members, or partners of Real Estate Holding Company	

Individual Completing Application

Name	Pionne Corbin
Title	Regional Vice President
Address	300 Crosspoint Parkway
Address 2	
City	Getzville
State	New York
Zip	14068

Phone

716-276-4010

Fax

E-Mail

Picorbin@geico.com

Company Contact (if different from individual completing application)

Name

Title

Address

Address 2

City

State

Zip

Phone

Fax

E-Mail

Company Counsel

Name of Attorney

Firm Name

Address

Address 2

City

State

Zip

Phone

Fax

E-Mail

Identify the assistance being requested of the Agency

Exemption from Sales Tax Yes

Exemption from Mortgage Tax No

Exemption from Real Property Tax No

Tax Exempt Financing* No

* (typically for not-for-profits & small qualified manufacturers)

Business Organization

Type of Business Corporation

Type of Ownership

Year Established 1936

State of Organization Maryland

List all stockholders, members, or partners with % of ownership greater than 20%

Please include name and % of ownership.

Berkshire Hathaway Inc.

Applicant Business Description

Describe in detail company background, products, customers, goods and services. Description is critical in determining eligibility

Government Employees Insurance Company (GEICO) was founded 80 years ago and is the second largest private passenger auto insurance company in the United States. The company is also the largest private passenger auto insurer in New York State with over 1.7 Million policyholders. GEICO employs more than 30,000 associates and maintains 14 major offices around the country, including two locations in New York State. In New York alone, it employs over 6,400 associates. Further, GEICO is the 18th largest company in the Western New York region and one of the ten largest private companies in Nassau and Suffolk counties In 1996, GEICO became a wholly owned subsidiary of Berkshire Hathaway, and it maintains an AA+ rating from Standard and Poor's, AA1 from Moody's, and an A++ from A.M. Best.

Estimated % of sales within Erie County	0
Estimated % of sales outside Erie County but within New York State	8
Estimated % of sales outside New York State but within the U.S.	91
Estimated % of sales outside the U.S.	0

(*Percentage to equal 100%)

What percentage of your total annual supplies, raw materials and vendor services are purchased from firms in Erie County? Include list of vendors, raw material suppliers and percentages for each. Provide supporting documentation of the estimated percentage of local purchases

85%

Section II: Eligibility Questionnaire - Project Description & Details

Project Location

Municipality or Municipalities of current operations

Amherst

Will the Proposed Project be located within a Municipality identified above?

Yes

In which Municipality will the proposed project be located

Amherst

Address

150 Crosspoint & 300 Crosspoint Parkway

Will the completion of the Project result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state OR in the abandonment of one or more plants or facilities of the project occupant located within the state?

No

If the Proposed Project is located in a different Municipality than that Municipality in which current operations are being undertaken, is it expected that any of the facilities in any other Municipality will be closed or be subject to reduced activity?

No

(If yes, you will need to complete the Retail Section of this application)

SBL Number for Property upon which proposed Project will be located

150 Crosspoint & 300 Crosspoint Parkway

What are the current real estate taxes on the proposed Project Site

Assessed value of land

Assessed value of building(s)

Are Real Property Taxes current?

Yes

If no please explain

Town/City/Village of Project Site

Amherst

School District of Project Site

Williamsville

Does the Applicant or any related entity currently hold fee title to the Project site?

No

If No, indicate name of present owner of the Project Site

The Uniland Partnership

Does Applicant or related entity have an option/contract to purchase the Project site?

No

Describe the present use of the Proposed Project site

General office.

Please provide narrative of the proposed project and the purpose of the proposed project (new build, renovations, and/or equipment purchases). Identify specific uses occurring within the project. Describe any and all tenants and any/all end users:

(This information is critical in determining project eligibility)

The project lease and interior renovation will support an additional 600 positions at GEICO in the Buffalo area along with over 2700 positions that have been created due to GEICO's presence in Western New York. We are committed to New York and the Buffalo Region and have been able to sustain our commitment to creating jobs in NYS. We look forward to increasing our presence in the Western New York Region.

If the Project could be undertaken without Financial Assistance provided by the Agency, then provide a statement in the space provided below indicating why the Project should be undertaken by the Agency:

In making the decision to locate 600 new jobs at the 150 Crosspoint location, the company included in the calculation for estimated savings the potential for sales tax exemptions. Anticipation of the sales tax exemptions was a key factor and one of the benefits considered in determining the ultimate location of this project and what state to locate these 600 new jobs for GEICO.

Describe the reasons why the Agency's Financial Assistance is necessary and how the Financial Assistance enables the company to undertake the Project to facilitate investment, job creation and/or job retention. Focus on competitiveness issues, project shortfalls, etc... Your eligibility determination will be based in part on your answer (attach additional pages if necessary)

In making the decision to locate 600 new jobs at the 150 Crosspoint location, the company included in the calculation for estimated savings the potential for sales tax exemptions. Anticipation of the sales tax exemptions was a key factor and one of the benefits considered in determining the ultimate location of this project and what state to locate these 600 new jobs for GEICO.

Please confirm by checking the box, below, if there is likelihood that the Project would not be undertaken but for the Financial Assistance provided by the Agency

Yes

If the Applicant is unable to obtain Financial Assistance for the Project, what will be the impact on the Applicant and Erie County?

In making the decision to locate 600 new jobs at the 150 Crosspoint location, the company included in the calculation for estimated savings the potential for sales tax exemptions. Anticipation of the sales tax exemptions was a key factor and one of the benefits considered in determining the ultimate location of this project and what state to locate these 600 new jobs for GEICO.

Will project include leasing any equipment?

Yes

If yes, please describe equipment and lease terms.

Facility will be leased.

Site Characteristics

Will the Project meet zoning/land use requirements at the proposed location?

Yes

Describe the present zoning/land use

Office

Describe required zoning/land use, if different

Office

If a change in zoning/land use is required, please provide details/status of any request for change of zoning/land use requirements

N/A

Is the proposed Project located on a site where the known or potential presence of contaminants is complicating the development/use of the property?

No

If yes, please explain

N/A

Has a Phase I Environmental Assessment been prepared, or will one be prepared with respect to the proposed Project Site?

Yes

If yes, please provide a copy.

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?

No

If yes, please provide copies of the study.

If you are purchasing new machinery and equipment, does it provide demonstrable energy efficiency benefits?

Yes.

You may also attach additional information about the machinery and equipment at the end of the application.

Does or will the company or project occupant perform research and development activities on new products/services at the project location?

No

If yes, please explain.

N/A

What percentage of annual operating expenses are attributed to the above referenced research and development activities?

N/A

Select Project Type for all end users at project site (you may check more than one)

Will customers personally visit the Project site for either of the following economic activities? If yes with respect to either economic activity indicated below, complete the Retail Determination contained in Section IV of the Application.

Please check any and all end uses as identified below.

Retail Sales No **Services** No

For purposes of this question, the term "retail sales" means (i) sales by a registered vendor under Article 28 of the Tax Law of the State of New York (the "Tax Law") primarily engaged in the retail sale of tangible personal property (as defined in Section 1101(b)(4) (i) of the Tax Law), or (ii) sales of a service to customers who personally visit the Project.

No Manufacturing

No Multi-Tenant

No Mixed Use

No Acquisition of Existing Facility

No Commercial

No Facility for the Aging

No Housing

Yes Back Office

No Civic Facility (not for profit)

No Equipment Purchase

No Retail

No Other

Project Information

Estimated costs in connection with project

Land and/or Building Acquisition

\$ 0 square feet acres

New Building Construction

\$ 0 square feet

New Building addition(s)

\$ 0 square feet

Infrastructure Work

\$ 0

Renovation

\$ 5,193,623 square feet

Manufacturing Equipment

\$ 0

Non-Manufacturing Equipment: (furniture, fixtures, etc.)

\$ 5,660,632

Soft Costs: (professional services, etc.)

\$ 150,000

Other Cost

\$ 0

Explain Other Costs

Total Cost

\$ 11,004,255

Project Refinancing; estimated amount (for refinancing of existing debt only)

\$ 0

Have any of the above costs been paid or incurred as of the date of this Application?

No

If Yes, describe particulars:

N/A

Sources of Funds for Project Costs:

Equity (excluding equity that is attributed to grants/tax credits):

\$ 11,004,255

Bank Financing:

\$ 0

Tax Exempt Bond Issuance (if applicable):

\$ 0

Taxable Bond Issuance (if applicable):

\$ 0

Public Sources (Include sum total of all state and federal grants and tax credits):

\$ 0

Identify each state and federal grant/credit:

Total Sources of Funds for Project Costs:

\$11004255.00

Has a financing preapproval letter or loan commitment letter been obtained?

No

Mortgage Recording Tax Exemption Benefit:

Estimated Mortgage Amount (Sum total of all financing – construction and bridge).

***Amount of mortgage, if any, that would be subject to mortgage recording tax.**

\$ 0

Lender Name, if Known

N/A

Estimated Mortgage Recording Tax Exemption Benefit (product of Mortgage Amount as indicated above multiplied by 1%):

\$0.00

Construction Cost Breakdown:

Total Cost of Construction

\$ 10,854,255

(sum of 2,3,4,5, and/or 7 in Question K, above)

Cost for materials

\$ 5,427,128

% sourced in Erie County

%

% sourced in State

%(including Erie County)

Gross amount of costs for goods and services that are subject to State and local sales and use tax- said amount to benefit from the Agency's sales and use tax exemption benefit

\$ 5,427,128

Estimated State and local Sales and Use Tax Benefit (product of 8.75% multiplied by the figure, above):

\$ 474,874

Real Property Tax Benefit:

Identify and describe if the Project will utilize a real property tax exemption benefit OTHER THAN the Agency's PILOT benefit:

For proposed facility please include # of sq ft for each of the uses outlined below

		Cost	% of Total Cost
Manufacturing/Processing	square feet	\$ 0	0
Warehouse	square feet	\$ 0	0
Research & Development	square feet	\$ 0	0
Commercial	square feet	\$ 0	0
Retail	square feet	\$ 0	0
Office	87,000 square feet	\$ 11,004,255	100
		\$ 0	0

Specify Other

square feet

If you are undertaking new construction or renovations, are you seeking LEED certification from the US Green Building Council?

No

If you answered yes to question above, what level of LEED certification do you anticipate receiving? (Check applicable box)

<BLANK>

Provide estimate of additional construction cost as a result of LEED certification you are seeking

N/A

Will project result in significant utility infrastructure cost or uses

Yes

What is your project timetable (Provide dates)

Start date : acquisition of equipment or construction of facilities

10/1/2016

End date : Estimated completion date of project

12/30/2016

Project occupancy : estimated starting date of operations

12/1/2016

Have construction contracts been signed?

No

Have site plans been submitted to the appropriate planning department for approval?

No

Has the Project received site plan approval from the appropriate planning department?

No

Is project necessary to expand project employment?

Yes

Is project necessary to retain existing employment?

Yes

Employment Plan (Specific to the proposed project location):

	Current # of jobs at proposed project location or to be relocated at project location	IF FINANCIAL ASSISTANCE IS GRANTED – project the number of FTE and PT jobs to be RETAINED	IF FINANCIAL ASSISTANCE IS GRANTED – project the number of FTE and PT jobs to be CREATED upon TWO years after Project completion	Estimate number of residents of the Labor Market Area in which the Project is located that will fill the FTE and PT jobs to be created upon TWO Years after Project Completion **
Full time	600	600	278	278
Part time	0	0	0	0
Total	600	600	278	

** The Labor Market Area includes the Counties of Erie, Niagara, Genesee, Cattaraugus, Wyoming and Chautauqua. For the purposes of this question, please estimate the number of FTE and PT jobs that will be

filled, as indicated in the third column, by residents of the Labor Market Area, in the fourth column.

***By statute, Agency staff must project the number of FTE jobs that would be retained and created if the request for Financial Assistance is granted. Agency staff will project such jobs over the TWO Year time period following Project completion. Agency staff converts PT jobs into FTE jobs by dividing the number of PT jobs by two (2). This estimate, based on information provided above, will be included within the PILOT worksheet in the additional documents section.

If you estimated new job growth over the next 2 years, please provide a short description of how those estimates were calculated (i.e. jobs per square foot, new contracts/increased revenues, etc.)

We have evaluated our current and projected turnover along with our hiring. This has help us to forecast that we need to add an additional 600 employees over a 6 year period. Our policy growth has indicated that we need to expand our workforce to aid in the selling and servicing of our policies.

Salary and Fringe Benefits for Jobs to be Retained and Created:

Category of Jobs to be Retained and Created	Average Salary	Average Fringe Benefits
Management	\$ 54,901	\$ 40,912
Professional	\$ 0	\$ 0
Administrative	\$ 32,802	\$ 24,444
Production	\$ 0	\$ 0
Independent Contractor	\$ 0	\$ 0
Other	\$ 0	\$ 0

Employment at other locations in Erie County: (provide address and number of employees at each location):

Address	300 Crosspoint		
Full time	2,677	0	0
Part time	57	0	0
Total	2,734	0	0

Will any of the facilities described above be closed or subject to reduced activity?

No

Payroll Information

Annual Payroll at Proposed Project Site

\$ 32,975,374

Estimated average annual salary of jobs to be retained

\$ 0

Estimated average annual salary of jobs to be created

\$ 78,342

Estimated salary range of jobs to be created

From

\$ 51,966

To \$ 104,980

Is the project reasonably necessary to prevent the project occupant from moving out of New York State?

Yes

If yes, please explain and identify out-of-state locations investigated

Currently we have 13 Regional locations that are located outside of NYS that we would be able to evaluate for additional support if needed. In addition, this expansion project involved evaluating other potential office locations outside of NYS in addition to our current regional locations.

What competitive factors led you to inquire about sites outside of New York State?

We looked into the benefits we could receive at these out of state locations. Further, the 13 other GEICO locations currently house other regional offices where we are able to expand our employee base.

Have you contacted or been contacted by other Local, State and/or Federal Economic Development Agencies?

Yes

If yes, please indicate the Agency and nature of inquiry below

When evaluating whether to move forward with this project GEICO had discussions with NY Empire State Development to determine whether GEICO was eligible for funding through NYS for this project. Part of this evaluation also entailed whether the company may be able to receive additional benefits through sales tax exemptions. The total project costs that were being considered for our ESD funding are a total of approximately \$11 Million for which \$4 Million will be provided for this project through NY ESD. The costs associated with this application are part of the \$11 Million project costs that were provided to ESD.

Do you anticipate applying for any other assistance for this project?

Yes

If yes, what type of assistance (Historic Tax Credits, 485(a), Grants, Utility Loans, Energy Assistance, Workforce Training)

As indicated above, funding per an Incentive Proposal issued by NYS Empire State Development

Section III: Facility Type - Single or Multi Tenant

Is this a Single Use Facility or a Multi-Tenant Facility?

Single Use Facility

For Single Use Facility

Occupant Name GEICO
Address 150 Crosspoint Parkway
Contact Person Pionne Corbin
Phone 716-276-4010
Fax
E-Mail pcorbin@geico.com
Federal ID # 53-0075853
SIC/NAICS Code 524126

Multi-Tenant Facility

Please explain what market conditions support the construction of this multi-tenant facility

Have any tenant leases been entered into for this project?

<BLANK>

If yes, please fill out a tenant form in section VII, for each tenant.

Tenant Name	Current Address (city, state, zip)	# of sq ft and % of total to be occupied at new projet site	SIC or NAICS-also briefly describe type of business, products services, % of sales in Erie Co.
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Section VI: Inter-Municipal Move Determination

The Agency is required by state law to make a determination that, if completion of a Project benefiting from Agency Financial Assistance results in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state, Agency financial Assistance is required to prevent the project occupant from relocating out of the state, or is reasonably necessary to preserve the project occupant's competitive position in its respective industry.

Will the project result in the removal of an industrial or manufacturing plant of the Project occupant from one area of the state to another area of the state? No

Will the project result in the abandonment of one or more plants or facilities of the Project occupant located within the state? No

If Yes to either question, explain how, notwithstanding the aforementioned closing or activity reduction, the Agency's Financial Assistance is required to prevent the Project from relocating out of the State, or is reasonably necessary to preserve the Project occupant's competitive position in its respective industry:

N/A

Does this project involve relocation or consolidation of a project occupant from another municipality or abandonment of an existing facility?

Within New York State No

Within Erie County No

If Yes to either question, please, explain N/A

Will the project result in a relocation of an existing business operation from the City of Buffalo?

No

If yes, please explain the factors which require the project occupant to relocate out of the City of Buffalo (For example, present site is not large enough, or owner will not renew leases etc.)

N/A

What are some of the key requirements the project occupant is looking for in a new site? (For example, minimum sq. ft., 12 foot ceilings, truck loading docs etc.)

If the project occupant is currently located in Erie County and will be moving to a different municipality within Erie County, has the project occupant attempted to find a suitable location within the municipality in which it is currently located?

No

What factors have lead the project occupant to consider remaining or locating in Erie County?

If the current facility is to be abandoned, what is going to happen to the current facility that project occupant is located in?

N/A

Please provide a list of properties considered, and the reason they were not adequate. (Some examples include: site not large enough, layout was not appropriate, did not have adequate utility service, etc.) Please include full address for locations.

Section VII: Adaptive Reuse Projects

Are you applying for tax incentives under the Adaptive Reuse Program?	No
What is the age of the structure (in years)?	0
Has the structure been vacant or underutilized for a minimum of 3 years? (Underutilized is defined as a minimum of 50% of the rentable square footage of the structure being utilized for a use for which the structure was not designed or intended)	No
If vacant, number of years vacant.	0
If underutilized, number of years underutilized.	0
Describe the use of the building during the time it has been underutilized:	N/A
Is the structure currently generating insignificant income? (Insignificant income is defined as income that is 50% or less than the market rate income average for that property class)	No
If yes, please provide dollar amount of income being generated, if any	\$
Does the site have historical significance?	No
Are you applying for either State/Federal Historical Tax Credit Programs?	No
If yes, provide estimated value of tax credits	\$ N/A
Briefly summarize the financial obstacles to development that this project faces without Amherst IDA or other public assistance. Please provide the Amherst IDA with documentation to support the financial obstacles to development (you will be asked to provide cash flow projections documenting costs, expenses and revenues with and without IDA and other tax credits included indicating below average return on investment rates compared to regional industry averages)	
Briefly summarize the demonstrated support that you intend to receive from local government entities. Please provide ECIDA with documentation of this support in the form of signed letters from these entities	
Please indicate other factors that you would like ECIDA to consider such as: structure or site presents significant public safety hazard and or environmental remediation costs, site or structure is located in a distressed census tract, structure presents significant costs associated with building code compliance, site has historical significance, site or structure is presently delinquent in property tax payments	

■ Section VIII: Senior Citizen Rental Housing Projects

Are you applying for tax incentives under the Senior Rental Housing policy?

No

Has the project received written support from the city, town or village government in which it is located?

<BLANK>

Describe the location of the project as it relates to the project's proximity to the town / village / city center or to a recognized hamlet.

Is the project consistent with the applicable municipal master plan?

<BLANK>

If yes, please provide a narrative identifying the master plan (by name) and describing how the project aligns with the plan details

Does the project advance efforts to create a walkable neighborhood and community in proximity to important local amenities and services?

<BLANK>

If yes, please provide a narrative describing the walkable nature of the project including access seniors would have to specific neighborhood amenities.

Has a market study shown that there is a significant unmet need in the local community or specific neighborhood where seniors are unable to find appropriate housing opportunities?

<BLANK>

Is the project located in an area (defined as a 1 – 5 mile radius of the project site) where there are significant local resident populations that are at or below the median income level?

<BLANK>

If yes, please describe how you made this determination based upon census tract and other relevant third party data.

Does the project provide amenities that are attractive to seniors and differentiates the project from standard market rate housing?

No

If yes, please describe these amenities (examples may include: community rooms, social / recreational activity areas, senior-oriented fixtures and safety amenities, security systems, call systems, on site medical services)

N/A

Are there impediments that hinder the ability to conventionally finance this project and /or negatively impact the project's return on investment?

<BLANK>

If yes, please briefly summarize the financial obstacles to development that this project faces without IDA or other public assistance. Please provide the IDA with documentation to support the financial obstacles to development (you will be asked to provide cash flow projections documenting costs, expenses and revenues with and without IDA and other tax credits included indicating below average return on investment rates compared to regional industry averages)

Will the project target (and maintain during the incentive period) a minimum 50% occupancy rate of senior citizens whose income is at or below 60-80% of the median income for Erie County?

<BLANK>

If yes, please describe provide a narrative citing key facts that substantiate this finding.

Section IX: Retail Determination

Will any portion of the project (including that portion of the costs to be financed from equity or other sources) consist of facilities or property that are or will be primarily used in making sales of goods or services to customers who personally visit the project site? <BLANK>

If yes, complete the Retail Questionnaire Supplement below.

What percentage of the cost of the project will be expended on such facilities or property primarily used in making sales of goods or services to customers who personally visit the project? 0 %

If the answer to this is **less than 33%** do not complete the remainder of the page and proceed to the next section (Section V: Inter-Municipal Move Determination).

If the answer to A is Yes AND the answer to Question B is greater than 33.33%, indicate which of the following questions below apply to the project:

Will the project be operated by a not-for-profit corporation? No

Is the project location or facility likely to attract a significant number of visitors from outside the economic development region (Erie, Niagara, Allegheny, Chautauqua and Cattaraugus counties) in which the project will be located? No

If yes, please provide a third party market analysis or other documentation supporting your response.

Is the predominant purpose of the project to make available goods or services which would not, but for the project, be reasonably accessible to the residents of the municipality? Are services provided at the proposed project site needed because of a lack of reasonably accessible retail trade facilities offering such goods or services? <BLANK>

If yes, please provide a market analysis supporting your response.

Will the project preserve permanent, private sector jobs or increase the overall number of permanent private sector jobs in the State of New York? Yes

If yes, explain

Is the project located in a Highly Distressed Area? <BLANK>