

April 13, 2017

David S. Mingoia
Executive Director/CEO
Amherst Industrial Development Agency
4287 Main Street
Amherst, New York 14226

Re: 2500 Kensington LLC

Dear Mr. Mingoia:

I am advised that there is a question as to whether the proposed conference facilities for which 2500 Kensington LLC has sought Amherst Industrial Development Agency assistance are intended to be used by Sam Shatkin, MD other than in connection with the activities of Shatkin First LLC as described in the 2500 Kensington LLC application. The simple answer is “no.”

Sam Shatkin, MD, under the brand name Aesthetic Learning Academy (<http://aestheticlearningacademy.com/wp/>), has been offering a one-day course to a relatively small number of the medical professionals who attend the two-day Shatkin First mini-implant training programs run by Todd Shatkin, DDS. Sam’s program is marketed to the same audience as the Shatkin First target market as the program supplements and immediately follows the Shatkin First program. This course has been conducted at the current 2500 Kensington facilities and will continue to be offered at the new expanded facilities as an adjunct to the Shatkin First programs. Like the Shatkin First programs, Sam’s programs are unrelated to his clinical practice (although the use of the word “Aesthetic” in the brand name can be confusing given the brand name of the clinical practice).

For example, between June 2016 and April 2017, 32 persons attended Sam’s programs after attending Todd’s programs. Other than UB Medical students (who attend for free), all of the attendees are from out of town, consistent with the business model of the Shatkin First programs. If necessary, I can provide you with confidential lists of the names of those attendees and their hometowns.

If the increase in attendance at Sam’s program reflects the anticipated increase in Todd’s programs due to the AIDA induced development, and if it is assumed that these persons then stay for an extra day, this represents an additional economic impact of approximately \$50,000 to \$80,000 of additional economic impact over the life of the AIDA benefits attributable to the AIDA

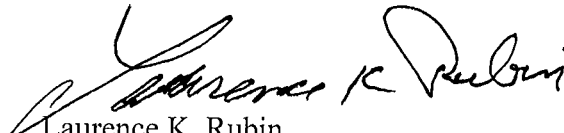
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incentives. While this is not a huge increase, it is an increase nevertheless, and more importantly, all of this activity are new out-of-town dollars.

I hope this answers any lingering questions about eligibility of this project for AIDA assistance and its importance to the Town.

Sincerely,

KAVINOKY COOK LLP



Laurence K. Rubin

LKR/bat

cc: Todd E. Shatkin, DDS

10374/33521/509226.1

March 31, 2017

David S. Mingoia
Executive Director/CEO
Amherst Industrial Development Agency
4287 Main Street
Amherst, New York 14226

Re: 2500 Kensington LLC

Dear Mr. Mingoia:

The following addresses some questions that were posed to me after the public hearing on the application of 2500 Kensington LLC in connection with the business expansion plans of its affiliate, Shatkin First LLC.

Overview

Shatkin First LLC ("Shatkin First") is an internationally recognized leader in the design, development, manufacture and use of mini-dental implants. Todd E. Shatkin, DDS is the President of Shatkin First. Using advanced manufacturing and computer-aided design equipment and software, including the development of his own patented mini-implant system and devices, Dr. Shatkin has developed facilities at 2500 Kensington Avenue, Amherst New York (which is owned by 2500 Kensington LLC) and 2495 Kensington Avenue, Amherst, New York that have made Amherst the locale of an international high-tech manufacturing and training center for modern dental medicine and science. This business, and the expansion that is dependent on Amherst Industrial Development Agency assistance, creates jobs in the advanced manufacturing and life science industry sectors targeted by regional economic development strategies, complements other Amherst Industrial Development Agency projects such as Ivoclar (which is a major supplier to Shatkin First manufacturing operations), and brings hundreds of out-of-town visitors annually to Town of Amherst hotels, restaurants and shops, significantly contributing to the local economy and tax base.

Shatkin First accomplishes these important economic development activities in two ways. First, by designing, developing, manufacturing and distributing mini-dental implant tools, devices and related equipment from its facilities at 2495 Kensington Avenue. Second, by providing training to dental and medical professionals in the use of the products developed, manufactured and distributed at 2495 Kensington Avenue at monthly conferences held at 2500 Kensington Avenue. The present conference facilities only accommodate 55 persons at a time, limiting the

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David S. Mingoia
March 31, 2017

customer base that can be developed for the advanced manufacturing business. The Shatkin First customer base is almost exclusively outside of Erie County and stretches across the United States and to many countries around the world.

Project Description

Shatkin First plans on purchasing approximately \$1,000,000 over the next two years of high-tech advanced manufacturing equipment for its manufacturing operations at 2495 Kensington Avenue. AIDA sales tax exemption is sought for these purchases.

At 2500 Kensington Avenue, Dr. Shatkin is planning to expand the current facilities for his monthly conferences on how to use his patented system and locally manufactured devices, increasing capacity from 55 persons to 120 persons. To do this, a two-story addition will be added to 2495 Kensington Avenue, comprised of:

- a 4,403 square foot first floor office space to house Shatkin First administrative offices.
- a 2,488 square foot first floor dental suite (for which no AIDA benefits are being sought) which will be leased to Dr. Shatkin and his brother, Dr. Sam Shatkin, for their dental and plastic surgery practices that are entirely separate from Shatkin First. This is slab on grade construction.
- a 8,835 square foot second floor which will span the first floor administrative office and dental suite over a drive thru (which is why the square footage of the second floor is greater than the combined footage of the first floor spaces) that will house a 120-seat conference room and associated support areas (offices, kitchen, break out rooms and a ramp to the second floor of the existing 2500 Kensington building).
- a 3,775 square foot basement that may be used for future Shatkin First expansion.

Site plans of all of the above described space are attached.

Project Costs:

1. Total investment - approximately \$5,512,632 exclusive of dental suite furniture, fixtures and equipment
2. Manufacturing equipment (3D printers, CT scanning equipment, CAD CAM Machines, milling machines) - \$1,000,000
3. Conference Center furniture, fixtures and equipment (computers, copiers, desks, furniture, etc.) - \$600,000
4. Hard and soft costs for Conference Center and related support space construction - \$3,403,990
5. Hard and soft costs for dental suite construction - \$508,642

Job Creation

Shatkin First currently employs 18 full-time and 8 part-time employees at its Amherst facilities. Dr. Shatkin has consistently projected creating at least 7 additional jobs within three years of project completion; however, the AIDA application only asked for job creation projection for the first two years after project completion. Dr. Shatkin will commit to creating these 7 new jobs (5 full time and 2 part time) within the two-year horizon of the application, and this represents an increase of 40% over the original job creation projected in the AIDA application. At an average salary of \$50,000 per job, this equates to \$350,000 per year of job creation impact or \$2,450,000 over the seven years of AIDA benefits.

Economic Impact

With expanded facilities, Shatkin First will be able to accommodate an increase of attendance from the current 55 persons per event to 120 attendees per monthly conference. These are exclusively visitors to Erie County. Approximately 20% of the attendees bring a guest, and each attendee stays at least one night in hotels almost exclusively in the Town of Amherst. Using data provided by the Greater Buffalo Convention and Visitors Bureau, it is estimated that the ten monthly conferences typically held per year with expanded facilities would generate \$510,000 in

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March 31, 2017

direct spending on food, lodging and shopping and \$765,000 of direct and indirect economic impact.


As the expansion incentivized by AIDA represents a 120% increase in attendance, 55% of this projected economic activity is directly attributable to AIDA assistance. This equates to \$420,750 of economic activity annually, or \$2,945,250 over the seven-year PILOT. As almost all of the lodging is in Amherst, it may be estimated that 80% of the economic impact is in Amherst or \$336,600 per year. **Over the seven-year life of the benefits provided by AIDA, this project will generate, without inflation, \$2,356,200 of economic impact on town businesses alone.**

As noted above, job creation accounts for an additional \$2,450,000 in direct economic activity from AIDA assistance. **Altogether, AIDA assistance will result in an estimated \$4,806,200 to \$5,395,250 in economic benefit, or approximately five to six times the value of the tax benefits provided by AIDA.**

I hope this letter answers any questions about this important project which more than meets all criteria for AIDA assistance. We are available to answer any further questions that you or the AIDA Board may have. We are looking forward to approval of our application at the next Board Meeting.

Sincerely,

KAVINOKY COOK LLP



Laurence K. Rubin

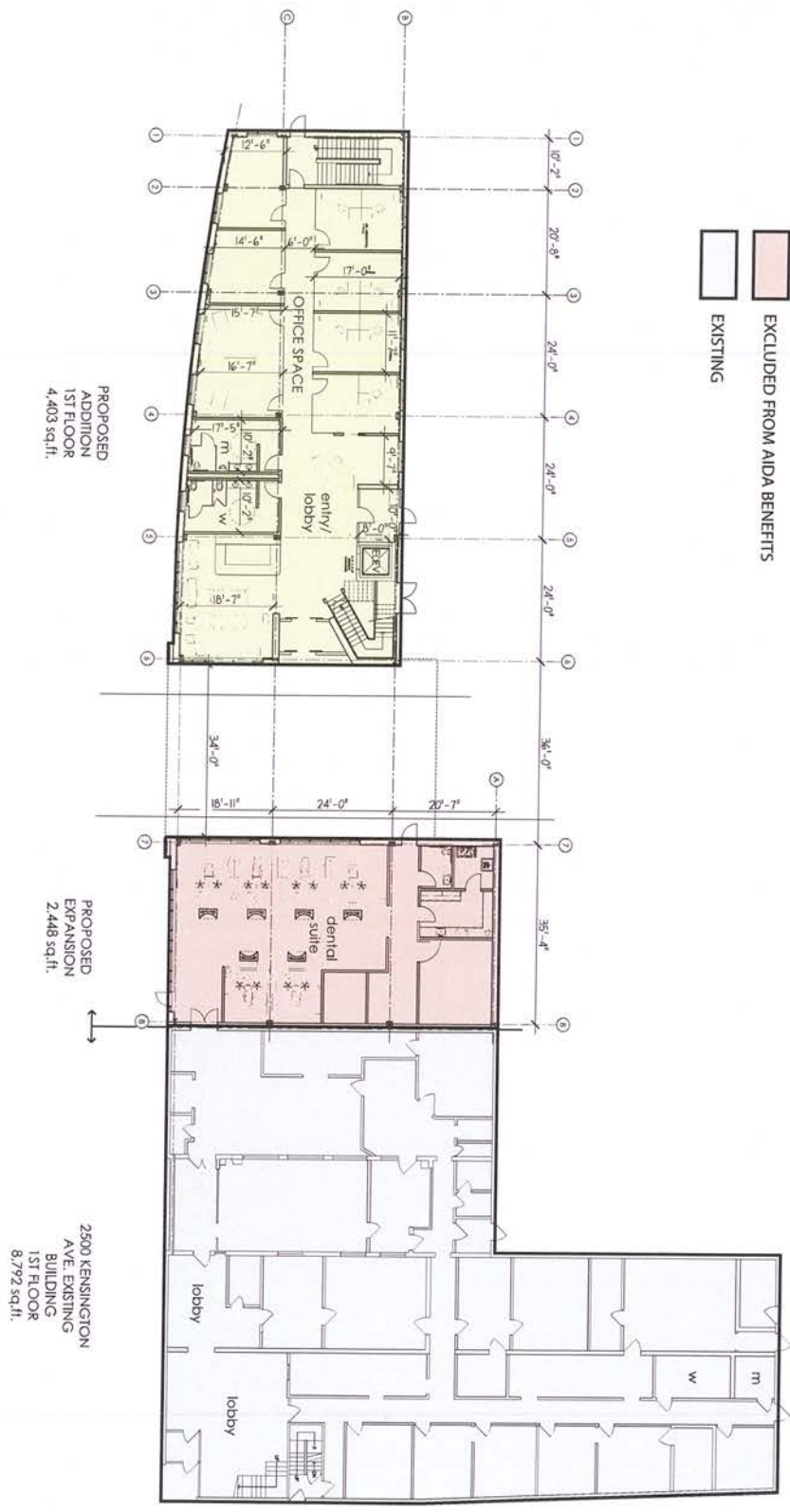
LKR/bat

Attachments

cc: Todd E. Shatkin, DDS

10374/33521/508446.1

- NEW ADDITION
- EXCLUDED FROM AIDA BENEFITS
- EXISTING



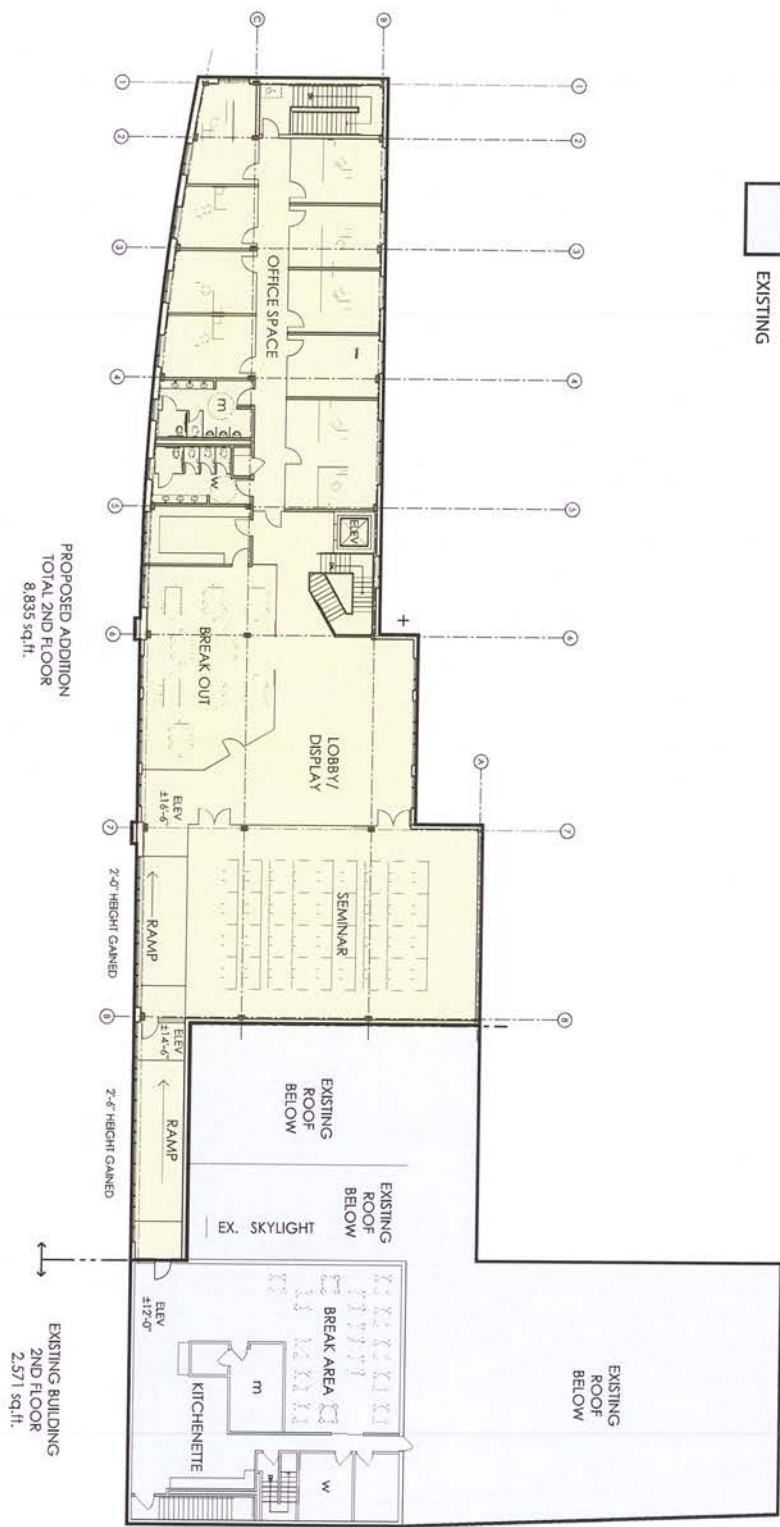
FIRST FLOOR PLAN
SCALE: 3/8" = 1'-0"
1

Contract No.:
Title: 1st Floor Plan
Date: 08/11/2016

DATE	BY	REVISION
August 11, 2016	AS	AS NOTED

2500 KENSINGTON AVE. EXISTING BUILDING 1ST FLOOR

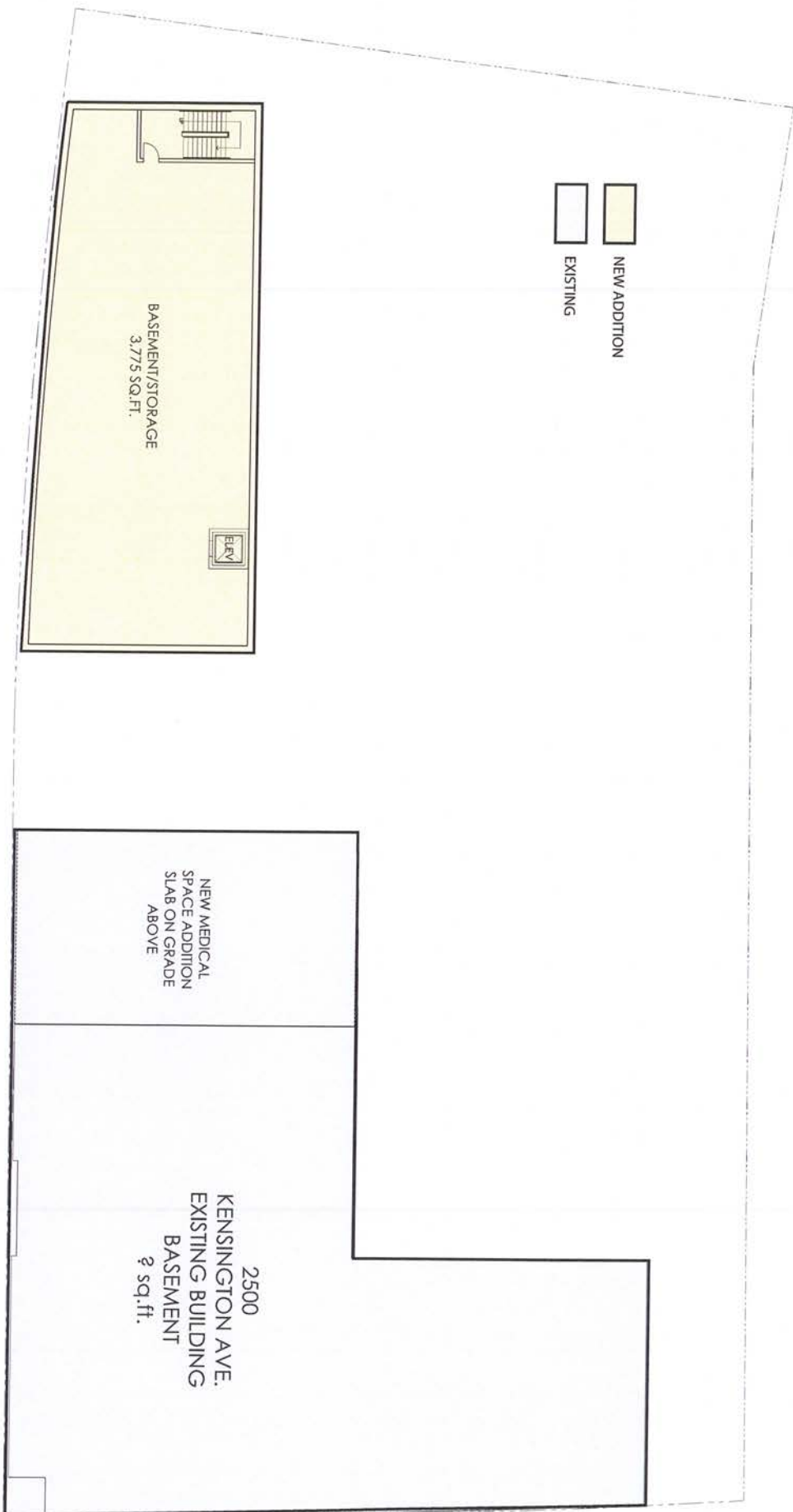
NEW ADDITION
 EXISTING



SECOND FLOOR PLAN 1
 SCALE 3/32" = 1'-0"

DATE	DESCRIPTION
08/11/16	AS NOTED
08/11/16	AS NOTED
08/11/16	AS NOTED

SECOND FLOOR PLAN
 AUGUST 11, 2016



BASEMENT PLAN

SCALE: 1:20

6/17/16

March 16, 2017

Edward F. McKee
75 Hobnail Drive
East Amherst, NY 14051

Mr. David S. Mingoia
Executive Director-Amherst IDA
4287 Main Street
Amherst, NY 14226

Dear Mr. Mingoia and AIDA Board Members:

My letter deals with the pending applicant petition for 2500 Kensington LLC to the Amherst Industrial Development Agency requesting tax relief for its project. Before I begin I'd like to preface my comments by stating the following two points:

- I believe that IDA's, if properly utilized, can have an important role to play in fueling the economic engine of the communities that they serve.
- I hold no prejudice against the applicant, 2500 Kensington, LLC and its two principals, whom I personally wish nothing but the best in their business endeavors.

I am writing, however, to voice my strong opposition to this applicant's request for tax relief in all three areas that this agency is empowered to grant to them. I do so because this request serves as a poster child for all that is wrong with IDA's should this applicant's request be granted on the basis of this application.

I believe this applicant request and others like them in the future should be significantly rolled back, or not allowed. My primary reasons for stating so follows:

1. The applicant has a business plan and a ready market that is rock solid for success. They do not need taxpayer money to be successful in this instance and are already very successful in a very lucrative profession and with proven patient protection too.
2. There is a minimal increase in new hires (5-10 over several years) for this project that stands to primarily benefit only two individuals associated with this request.
3. In the applicant application when asked if this denial of tax forgiveness for this project would cause their business to leave the area, the response was, "no."
4. No evidence is provided with this application to support its claims for why tax relief should be granted, only words on a few sheets of paper.
5. Amherst like other parts of our metropolitan area is experiencing job growth and new economic vitality. Restraint should be the watchword in doling out taxpayer money by IDA's at this time. Save our taxpayer money for applicants with firm commitments to add 50 jobs or more.

If this applicant receives everything they are requesting I think it is reasonable to assume that the tax relief will approach the million dollar mark. And this does not include the intent of the applicant to seek tax credits under the state's Excelsior program that could amount to several hundred thousand dollars more in tax relief. Just how much is enough to ask of the taxpayer to make two wealthy individuals even wealthier, when they could very well achieve this additional incremental wealth utilizing their own resources or outside financing.

Sincerely yours,

Edward F. McKee



Shatkin First Expansion

Section I: Applicant Background Information

Applicant Information - Company Receiving Benefit

Project Name	Shatkin First Expansion
Applicant Name	2500 Kensington LLC
Applicant Address	2500 Kensington Avenue
Applicant Address 2	
Applicant City	Amherst
Applicant State	New York
Applicant Zip	14226
Phone	7168391700
Fax	7168391702
E-mail	kimw@shatkinfirst.com
Website	www.shatkinfirst.com
Federal ID#	45-2251848
NAICS Code	339116
Will a Real Estate Holding Company be utilized to own the Project property/facility	Yes
What is the name of the Real Estate Holding Company	2500 Kensington LLC
Federal ID#	45-2251848
State and Year of Incorporation/Organization	2,011
List of stockholders, members, or partners of Real Estate Holding Company	Todd E. Shatkin, DDS Samuel Shatkin, Jr.,MD

Individual Completing Application

Name	Kim Wiesmore
Title	Accountant
Address	2495 Kensington Avenue
Address 2	
City	Amherst
State	New York
Zip	14226

3/31/2017

The Erie County Industrial Development Agency (ECIDA)

Phone

7168392959

Fax

7168393363

E-Mail

kimw@shatkinfirst.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	Laurence K. Rubin
Firm Name	Kavinoky Cook LLP
Address	726 Exchange Street
Address 2	Suite 800
City	Buffalo
State	New York
Zip	14210
Phone	716-845-6000
Fax	716-845-6474
E-Mail	lrubin@kavinokycook.com

Identify the assistance being requested of the Agency

Exemption from Sales Tax	Yes
Exemption from Mortgage Tax	Yes
Exemption from Real Property Tax	Yes
Tax Exempt Financing*	No

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

Business Organization

Type of Business	Limited Liability Company
Type of Ownership	
Year Established	2011
State of Organization	New York

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

Please include name and % of ownership.

Todd Shatkin 50% Samuel Shatkin 50%

Applicant Business Description

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

2500 Kensington LLC is a real estate holding company which owns 2500 Kensington Avenue, the proposed project site. Shatkin First LLC, an affiliate of 2500 Kensington, is full service dental implant company which manufactures and distributes surgical stents, Dental implants and related products and mini dental implant restorations, crowns, dentures, bridges and provides consultations and professional development training for dental health professionals.

Estimated % of sales within Erie County	0
Estimated % of sales outside Erie County but within New York State	5
Estimated % of sales outside New York State but within the U.S.	92
Estimated % of sales outside the U.S.	3

(*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

Approximately 5% of annual supplies, raw materials and vendor services will be purchased from firms located in Erie County. Attached is a list of supplies and vendors that are expected to provide materials and services for the Project.

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

2495 Kensington Avenue and 2500 Kensington Avenue(portion)

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

80.10-9-23 (portion), 80.10-10-14

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

SBL# 80.10-9-23: School taxes-\$16,125.49; County & Town-\$9,801.72; SBL#80.10-10-14: School taxes-\$24,6282.02; County & Town-\$13,505.20

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

Amherst Central Schools

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

Yes

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

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

No

Describe the present use of the Proposed Project site

Office building with laboratory and light manufacturing capability

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 Applicant, on behalf of itself and on behalf of its affiliate Shatkin First LLC, is seeking Agency assistance with respect to an approximately 15,000 square foot addition (the "Shatkin First Construction") to be attached to an existing facility located at 2500 Kensington Avenue. Shatkin First designs, develops, manufactures, distributes and sells mini-dental implants, surgical stents, crowns and bridges and provides consultations and professional development for dental health and other medical professionals in connection with these products. The Shatkin First Construction portion of the addition at 2500 Kensington will allow as many as 120 dental and medical professionals from around the world to attend the Shatkin First training sessions (which are held several times per month), a significant increase from the current 55 person capacity. In addition, Shatkin First would like to increase its research and development, advanced manufacturing and product distribution facilities at 2495 Kensington over the next three years through additional equipment purchases. No real property tax abatement is requested with respect to the 2495 Kensington parcel. Approximately 2448 square feet of the first floor of the Shatkin First Construction will support medical and dental practices in the attached building. The principals of such practices are members of 2500 Kensington LLC.

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:

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)

Shatkin First's business focuses on developing, manufacturing and selling its proprietary dental technology. This requires medical personnel be trained the use of such technology. This is a major expansion of a unique facility in Western New York that is dependent on significant sales almost exclusively outside of Erie County. The assistance provided by the Agency is critical to making this significant investment feasible. Mortgage financing has not been secured, and AIDA assistance will be critical for the Applicant to receive favorable financing terms. Assistance from the Agency will allow Shatkin First to (a) expand its professional development facility, (b) maintain its competitive position through the purchase of state of the art manufacturing equipment (c) retain/create jobs, including jobs for highly skilled dental professionals, administrative support jobs, and sales/distribution positions and (d) grow its commitment to innovation in the dental science field.

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?

If the Project is not undertaken due to lack of Agency assistance, Erie County and Amherst will potentially lose the benefits from what would have been a significant economic investment, including jobs, real property taxes, tourism expenditures and sales tax revenues. Shatkin First's professional development and consultation services attracts dental health professionals from all over the US and internationally. Local restaurants, hotels and other businesses will suffer if attendance declines due to lack of assistance. The expansion of the Applicant's facility will likely be slower and on a smaller scale, and result in less revenue to area vendors, hotels, and restaurants and suppliers.. If Agency assistance is not obtained, Shatkin First's R&D and ability to provide innovative dental care solutions will be adversely affected. Without Agency support, Applicant's hiring of locally educated individuals specializing in medical technology/advanced manufacturing fields may be slowed and/or diminished. Without Agency support, Shatkin First will not be able to increase its manufacturing capacity and will have to continue to purchase components for its mini-dental implant systems and other products from out-of-area companies. Agency financial assistance will enable Shatkin First to achieve expansion of its Research and Development and Manufacturing capacities in the shortest time possible and maintain its competitive position in this rapidly evolving and highly competitive field.

Will project include leasing any equipment?

Yes

If yes, please describe equipment and lease terms.

computers, CAD CAM machines, 3D printers, CT Scanning Equipment, Milling Machines, Swiss mill turning machines, and similar office equipment will be leased on standard (5) year lease terms for dental implant manufacturing and training equipment, A/V equipment

Site Characteristics

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

Yes

Describe the present zoning/land use

2495 Kensington and 2500 Kensington Street are currently zoned as General Business.

Describe required zoning/land use, if different

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

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

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

No

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?

The applicant intends that any machinery or equipment purchased will meet current energy efficiency standards.

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?

Yes

If yes, please explain.

Shatkin First, the primary project occupant, researches and develops technology related to the manufacture, placement and restoration of its patented mini-dental implants and related dental technology.

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

7%

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** Yes

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.

- | | | |
|--|------------------------|--|
| Yes Manufacturing | No Multi-Tenant | No Mixed Use |
| No Acquisition of Existing Facility | Yes Commercial | No Facility for the Aging |
| No Housing | Yes Back Office | No Civic Facility (not for profit) |
| Yes Equipment Purchase | No Retail | Yes Other |
| | | R&D, distribution, and professional development |

Project Information

Estimated costs in connection with project

Land and/or Building Acquisition

\$ 0 square feet acres

New Building Construction

\$ 3,691,164 25,000 square feet

New Building addition(s)

\$ 0 square feet

Infrastructure Work

\$ 0

Renovation

\$ 0 square feet

Manufacturing Equipment

\$ 1,000,000

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

\$ 600,000

Soft Costs: (professional services, etc.)

\$ 221,469

Other Cost

\$ 0

Explain Other Costs

Total Cost

\$ 5,512,633

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?

Yes

If Yes, describe particulars:

Approximately \$70,000 in costs have been incurred or paid for architectural services and land surveying work.

Sources of Funds for Project Costs:

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

\$

Bank Financing:

\$ 4,000,000

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

\$^u

Identify each state and federal grant/credit:

Total Sources of Funds for Project Costs:

\$4,000,000

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.**

\$ 4,000,000

Lender Name, if Known

M&T

Estimated Mortgage Recording Tax Exemption Benefit (% of estimated mortgage amount stated above):

\$40,000

Construction Cost Breakdown:

Total Cost of Construction

\$ 4,291,164 (sum of 2,3,4,5, and/or 7 in Question K, above)

Cost for materials

\$ 2,145,582

% sourced in Erie County

90%

% sourced in State

10% (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

\$ 4,691,164

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

\$ 410,477

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	23,009 square feet	\$ 3,220,990	87
Retail	1,776 square feet	\$ 470,174	13
Office	square feet	\$ 0	0
		\$ 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

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

3/1/2017

End date : Estimated completion date of project

1/1/2018

Project occupancy : estimated starting date of operations

1/1/2018

Have construction contracts been signed?

No

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

Yes

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

Yes

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	18	18	3	3
Part time	8	8	2	2
Total	26	26	5	

** 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).

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.)

The new job growth estimate was based on projected increase in attendance at professional development events, and the increased manufacturing capacity.

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	\$ 100,000	\$ 10,000
Professional	\$ 50,000	\$ 5,000
Administrative	\$ 35,000	\$ 3,500
Production	\$ 30,000	\$ 3,000
Independent Contractor	\$ 0	\$ 0
Other	\$ 0	\$ 0

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

Address			
Full time	0	0	0
Part time	0	0	0
Total	0	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

\$ 1,500,000

Estimated average annual salary of jobs to be retained

\$ 50,000

Estimated average annual salary of jobs to be created

\$ 50,000

Estimated salary range of jobs to be created

From \$ 30,000 **To** \$ 60,000

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

No

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

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

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

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)

Excelsior tax credits

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 Shatkin First LLC
Address 2500 Kensington Avenue, Amherst New York 14226
Contact Person Kim Wiesmore
Phone 716-839-1700
Fax 716-839-1702
E-Mail kimw@shatkinfirst.com
Federal ID # 26-0206092
SIC/NAICS Code 339116

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?

No

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 IV: Tenant Information

Section V: Environmental Questionnaire

General Background Information

Address of Premises

Name and Address of Owner of Premises

Describe the general features of the Premises (include terrain, location of wetlands, coastlines, rivers, streams, lakes, etc.)

Describe the Premises (including the age and date of construction of any improvements) and each of the operations or processes carried out on or intended to be carried on at the Premises

Describe all known former uses of the Premises

Does any person, firm or corporation other than the owner occupy the Premises or any part of it?

<BLANK>

If yes, please identify them and describe their use of the property

Have there been any spills, releases or unpermitted discharges of petroleum, hazardous substances, chemicals or hazardous wastes at or near the Premises?

<BLANK>

If yes, describe and attach any incident reports and the results of any investigations

Has the Premises or any part of it ever been the subject of any enforcement action by any federal, state or local government entity, or does the preparer of this questionnaire have knowledge of: a) any current federal, state or local enforcement actions; b) any areas of non-compliance with any federal, state or local laws, ordinances, rules or regulations associated with operations over the past 12 months?

<BLANK>

If yes, please state the results of the enforcement action (consent order, penalties, no action, etc.) and describe the circumstances

Has there been any filing of a notice of citizen suit, or a civil complaint or other administrative or criminal procedure involving the Premises?

<BLANK>

If yes, describe in full detail

Solid And Hazardous Wastes And Hazardous Substances

Does any activity conducted or contemplated to be conducted at the premises generate, treat or dispose of any petroleum, petroleum-related products, solid and hazardous wastes or hazardous substances?

<BLANK>

If yes, provide the Premises' applicable EPA (or State) identification number

Have any federal, state or local permits been issued to the Premises for the use, generation and/or storage of solid and hazardous wastes?

<BLANK>

If yes, please provide copies of the permits.

Identify the transporter of any hazardous and/or solid wastes to or from the Premises

Identify the solid and hazardous waste disposal or treatment facilities which have received wastes from the Premises for the past two (2) years

Does or is it contemplated that there will occur at the Premises any accumulation or storage of any hazardous wastes on-site for disposal for longer than 90 days?

<BLANK>

If yes, please identify the substance, the quantity and describe how it is stored

Discharge Into Waterbodies

Briefly describe any current or contemplated industrial process discharges (including the approximate volume, source, type and number of discharge points). Please provide copies of all permits for such discharges

Identify all sources of discharges of water, including discharges of waste water, process water, contact or noncontact cooling water, and stormwater. Attach all permits relating to the same. Also identify any septic tanks on site

Is any waste discharged into or near surface water or groundwaters?

<BLANK>

If yes, please describe in detail the discharge including not only the receiving water's classification, but a description of the type and quantity of the waste

Air Pollution

Are there or is it contemplated that there will be any air emission sources that emit contaminants from the Premises?

<BLANK>

If yes, describe each such source, including whether it is a stationary combustion installation, process source, exhaust or ventilation system, incinerator or other source

Are any of the air emission sources permitted?

<BLANK>

If yes, attach a copy of each permit.

Storage Tanks

List and describe all above and under ground storage tanks at the Premises used to store petroleum or gasoline products, or other chemicals or wastes, including the contents and capacity of each tank. Please also provide copies of any registrations/permits for the tanks

Have there been any leaks, spills, releases or other discharges (including loss of inventory) associated with any of these tanks?

<BLANK>

If yes, please provide all details regarding the event, including the response taken, all analytical results or reports developed through investigation (whether internal or external), and the agencies which were involved

Polychlorinated Biphenyls ("PCB" or "PCBs") And Asbestos

Provide any records in your possession or known to you to exist concerning any on-site PCBs or PCB equipment, whether used or stored, and whether produced as a byproduct of the manufacturing process or otherwise.

Have there been any PCB spills, discharges or other accidents at the Premises?

<BLANK>

If yes, relate all the circumstances

Do the Premises have any asbestos containing materials?

<BLANK>

If yes, please identify the materials

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:

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

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.)

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?

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:

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) <BLANK>

If yes, please provide dollar amount of income being generated, if any \$

Does the site have historical significance? <BLANK>

Are you applying for either State/Federal Historical Tax Credit Programs? No

If yes, provide estimated value of tax credits \$

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?

<BLANK>

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)

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? Yes

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? 16 %

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? <BLANK>

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? <BLANK>

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? <BLANK>

If yes, explain

Is the project located in a Highly Distressed Area? No