

IMAGINE MONROE

APPLICATION FOR ASSISTANCE

Each applicant seeking assistance must complete this application and provide required supplemental form/documentation. A non-refundable application fee of \$350.00 must be included with this application. Make check payable to COMIDA. Please see page 10 for additional information on costs and fees.

Please answer all questions. Use "None" or "Not Applicable" where necessary. Information in this application may be subject to public review under New York State Law, except for information that is considered deniable by the Freedom of Information Law. This form is available at www.imaginemonroe.org.

I. APPLICANT

A. Name Regional Distributors, Inc.
Address 1281 Mount Read Boulevard
City/State/Zip Rochester, NY 14606
Tax ID No. 161477981
Contact Name Brittany Lewis
Title Director of Continuous Business Im
Telephone (585) 647-5484
E-Mail blewis@regdist.com

B. Owners of 20% or more of Applicant Company

Name	%	Corporate Title
<u>Tracy Scalen</u>	<u>60</u>	<u>President</u>
<u>David Scalen</u>	<u>40</u>	<u>Exec. Vice President</u>

C. Applicant's Legal Counsel

Name Steven R. Gersz
Firm Underberg & Kessler LLP
Address 300 Bausch & Lomb Place
City/State/Zip Rochester, NY 14604
Telephone (585) 258-2817
Fax (585) 258-2821
Email sgersz@underbergkessler.com

II. PROJECT

A. Address of proposed project facility
1281/1285 Mount Read Boulevard and
1155 Lexington Ave, All Rochester, NY 14606
Tax Map Parcel Number 105.22-1-8.002 / ~~9.005~~ and 105.22-1-9.005
City/Town/Village Rochester
School District Rochester
Current Legal Owner of Property
BRM Real Estate - Owned by the Scalens

B. Proposed User(s)/Tenant(s) of the Facility

If there are multiple Users/Tenants, please attach additional pages.

Company Name _____
Address _____
City/State/Zip _____
Tax ID No. _____
Contact Name _____
Title _____
Telephone _____
E-Mail _____

% of facility to be occupied by company _____

C. Owners of 20% or more of User/Tenant Company

Name	%	Corporate Title
_____	_____	_____
_____	_____	_____

D. Benefits Requested (Check all that apply)

- Sales Tax Exemption
 Industrial Revenue Bond Financing
 Mortgage Recording Tax Exemption
 Real Property Tax Abatement

E. Description of project (check all that apply)

- New Construction
- Existing Facility
 - Acquisition
 - Expansion
 - Renovation/Modernization
- Acquisition of machinery/equipment
- Other (specify) _____

GENERAL DESCRIPTION OF THE PROJECT AND BACKGROUND ON USER(S) OF THE FACILITY
(Attached additional sheets as necessary)

About Us:
Founded in 1994, Regional Distributors is a family-owned and NYS certified Women's Business Enterprise supplying janitorial supplies, paper goods, equipment, chemicals, packaging, green products, and food items to businesses, school districts, and colleges across New York. We pride ourselves on providing service beyond expectations and contributing to our community, partners, and clients. Regional Distributors proudly serves over 2,500 customers in a wide range of markets with both branded and private label items needed to make their businesses successful. Our greatest assets are about 70 talented and dedicated people on our rapidly growing team. In addition to regular donations to local causes, we offer a private line of products, Valor and Victory, designed to provide a generous percentage of proceeds to Warrior Salute Veteran Services, a local organization supporting veterans with PTSD. As a company, we have achieved the honor of being selected by the Rochester Business Journal as Top 100 Company on five occasions including 2019 when we placed #33 overall, and second in wholesale and distribution.

As we are experiencing ongoing rapid growth, we find that our current facility is in need of upgrades to allow for continued expansion. We are currently experiencing limited or unavailable space for new products to be brought into stock as well as space for the required increase of inventory of existing products. Without warehouse modernization and restructuring, we will be unable to store additional goods to meet demand for both new and existing customers and new product lines. This planned restructuring would also eliminate many time and labor inefficiencies in the way we operate within the warehouse during both truck loading and product receiving. In short, we will be able to do more in our existing space with these improvements.

With growth in sales and increasing demand we must also grow our team. (Un)fortunately, we have run out of work stations for upcoming staff additions. We plan to add at least six more employees and have already added several full time employees that have taken over workstations intended for our sales force and remote employees when they visit the office. Across the facility, we are experiencing the beginning failures of our phone system that is reaching 15 years old. Being a communication and logistics based business, this must be updated before major disruptions to operations occur.

With sales tax liability reaching up to \$50,000 or more to fund this project, we face the possibility of making cuts to the scope of our project. We have reached a level in our business that requires improvements or we will see sales growth and the ability to provide employment opportunities stunted. Sales tax relief in this amount would fund the entire office and phone upgrade project or limit the amount of storage racking we are able to purchase leaving significant disadvantages standing in the way of our continued growth.

See attachment A for project details.

II. PROJECT (cont'd)

F. Are other facilities or related companies located within New York State?

Yes No

Location:

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?

Yes No

Will the Project result in the abandonment of one or more plants or facilities of the Project occupant located within the state?

Yes 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**:

G. 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 No

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 with the Financial Assistance to be provided by the Agency**:

Sales tax exemptions would allow us to afford
the entirety of the project thus fostering our
continued growth and contribution to both the
marketplace and community in Rochester and
New York State as a whole.

**To be completed with Agency assistance.

H. PROJECT TIMELINE

Proposed Date of Acquisition

11/01/2015

Proposed Commencement Date of Construction

03/17/2020

Anticipated Completion Date

10/31/2020

I. Contractor(s)

See attachment B

J. State Environmental Quality Review (SEQR) Act Compliance

Imagine Monroe, in granting assistance to the Applicant, is required to comply with the New York State Environmental Quality Review Act (SEQR). This is applicable to projects that require the state or local municipality to issue a discretionary permit, license or other type of Approval for that project.

Does the proposed project require discretionary permit, license or other type of approval by the state or local municipality?

YES – Include a copy of any SEQR documents related to this Project including Environmental Assessment Form, Final Determination, Local Municipality Negative Declaration, etc.

NO

III. PROPERTY TAX ABATEMENT/PAYMENT IN LIEU OF TAX AGREEMENT (PILOT)

Check One:

JOBSPLUS

Requirements:

- Company must commit to a 10% increase in full-time equivalent employment, measured on the existing impacted employee base, over a 3 year period. The required number of jobs is _____.

LEASEPLUS

Requirements:

- University and/or medical related facilities in which a 501(c)3 entity leases from a for-profit entity.
- Company must commit to a 10% increase in full-time equivalent employment, measured on the existing impacted employee base, over a 3 year period. The required number of jobs is _____.

ENHANCED JOBSPLUS

Requirements:

- A minimum \$15 million investment in new plant, machinery and equipment or renovation of existing building(s) **AND**
- A minimum of 100 new jobs from new companies locating in Monroe County, or existing companies expanding operations here.

GREEN JOBSPLUS

Requirements:

- LEED® Certification – Project must be rated as Certified, Gold, Silver or Platinum by the United States Green Building Council's Leadership in Energy and Environmental Design (LEED®) Green Building Rating System.
- Company must commit to a 10% increase in full-time equivalent employment, measured on the existing impacted employee base, over a 3 year period. The required number of jobs is _____.

SHELTER RENTS

for student housing or affordable housing projects.

Local Tax Jurisdiction Sponsored PILOT

NO PROPERTY TAX ABATEMENT IS SOUGHT FOR THIS PROJECT

IV. APPLICANT PROJECT COSTS

A. Estimate the costs necessary for the construction, acquisition, rehabilitation, improvement and/or equipping of the project by the APPLICANT.

Building Construction or Renovation

- a. MATERIALS a. \$ 43,700
- b. LABOR b. \$ 69,161

Site Work

- c. MATERIALS c. \$ 69,000
- d. LABOR d. \$ 96,600
- e. Non-Manufacturing Equipment e. \$ 375,782
- f. Furniture and Fixtures f. \$ 94,070
- g. LAND and/or BUILDING Purchase g. \$ _____
- h. Manufacturing Equipment h. \$ _____
- i. Soft Costs (Legal, Architect, Engineering) i. \$ 2,500
- Other (specify) j. _____ j. \$ _____
- k. _____ k. \$ _____
- l. _____ l. \$ _____
- m. _____ m. \$ _____

Total Project Costs \$ 750,813

B. Sources of Funds for Project Costs:

- a. Tax-Exempt Industrial Revenue Bond a. \$ _____
- b. Taxable Industrial Revenue Bond b. \$ _____
- c. Tax-Exempt Civic Facility Bond c. \$ _____
- d. Bank Financing d. \$ 750,813
- e. Public Sources e. \$ _____

Identify each state and federal grant/credit

_____ \$ _____
 _____ \$ _____
 _____ \$ _____
 _____ \$ _____

- f. Equity \$ _____
- TOTAL SOURCES** \$ 750,813

C. Has the applicant made any arrangements for the financing of this project?

Yes No

If so, please specify bank, underwriter, etc.

Canandaigua National Bank & Trust
72 Main Street
Canandaigua, NY 14424

IV. COMPLETE FOR EACH USER/TENANT THAT IS SEEKING SALES TAX EXEMPTION USER(S)/TENANT(S) PROJECT COSTS

Use additional sheets as necessary

Company Name _____

A. Estimate the costs necessary for the construction, acquisition, rehabilitation, improvement and/or equipping of the project by the user(s)/tenant(s) for which a sales tax exemption is requested.

Estimated Costs Eligible for Sales Tax Exemption Benefit

- a. MATERIALS a. \$ _____
- b. LABOR b. \$ _____
- c. Non-Manufacturing Equipment c. \$ _____
- d. Furniture and Fixtures d. \$ _____
- Other (specify) e. _____ e. \$ _____
- f. _____ f. \$ _____
- g. _____ g. \$ _____
- h. _____ h. \$ _____

Total \$ 0

A non-refundable fee of 1/8% on TOTAL(e) above is due and payable upon issuance of a Sales Tax Letter to User(s)/Tenant(s)

 User/Tenant Company

Signature Title Date

For Office Use Only	
Total Assessment Value	
Land	Building
Applicant 2602-	
User/Tenant 2602-	
RM	

VI. Value of Incentives

Project name: 291 S Plymouth, LLC

A. IDA PILOT Benefits:

Current Land Assessment	561,000	Taxes on Land	20,387
Dollar Value of New Construction & Renovation Costs	797,500		
Estimated New Assessed Value of Project Subject to IDA	1,358,500		

County Tax rate/\$1,000	10.56
Local Tax Rate* Tax Rate/\$1,000	
School Tax Rate /\$1,000	25.78
Total Tax Rate	<u>36.34</u>

PILOT Year	% Payment	County PILOT Amount	Local PILOT Amount	School PILOT Amount	Total PILOT Amount	Full Tax Payment w/o PILOT	Net Exemption
1	90%	6,766	0	16,519	23,285	69,755	26,083
2	80%	7,608	0	18,574	26,183	69,755	23,185
3	70%	8,451	0	20,630	29,081	69,755	20,287
4	60%	9,293	0	22,686	31,979	69,755	17,389
5	50%	10,135	0	24,742	34,877	69,755	14,491
6	40%	10,977	0	26,798	37,775	69,755	11,592
7	30%	11,819	0	28,854	40,674	69,755	8,694
8	20%	12,661	0	30,910	43,572	69,755	5,796
9	10%	13,504	0	32,966	46,470	69,755	2,898
10	0%	14,346	0	35,022	49,368	69,755	0
Total		<u>105,560</u>	<u>0</u>	<u>257,703</u>	<u>363,264</u>	<u>697,546</u>	<u>130,415</u>

* Local Tax Rate for Town/City/Village

B. Sales Tax Exemption Benefit:

Estimated value of Sales Tax exemption for facility construction:	<u>30,160</u>
Estimated Sales Tax exemption for fixtures and equipment:	<u>0</u>
Estimated duration of Sales Tax exemption:	<u>December 31, 2020</u>

C. Mortgage Recording Tax Exemption Benefit:

Estimated Value of Mortgage Recording Tax exemption:	<u>\$5,419</u>
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D. Industrial Revenue Bond Benefit

IRB inducement amount, if required:	<u>\$0</u>
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E. Percentage of Project Costs financed from Public Sector sources:

Total Value of Incentives:	<u>\$165,993.93</u>	<u>20.81%</u>
Sources of Funds (Section IV.B.)	<u>\$797,500.00</u>	

** All estimates are based on current tax rates.

VII. PROJECTED EMPLOYMENT

Complete for each Applicant or User/Tenant

Company Name: Regional Distributors, Inc.

Applicant: or User/Tenant:

You must include a copy of the most recent NYS-456 Quarterly Combined Withholding, Wage Reporting and Unemployment Insurance Return OR if you have multiple locations within New York State, the Bureau of Labor – BLS 3020 – Multiple Worksite Report

	Current # of jobs at proposed project location or to be relocated to project location	IF FINANCIAL ASSISTANCE IS GRANTED – project the number of FTE and PTE jobs to be RETAINED	IF FINANCIAL ASSISTANCE IS GRANTED – project the number of FTE and PTE jobs to be CREATED upon THREE 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 PTE jobs to be created upon THREE Years after Project Completion **
Full time (FTE)	66.0	66.0	6.0	6.0
Part Time (PTE)	2.0	2.0	0.0	0.0
Total	68.0	68.0	6.0	6.0

** For purposes of this question, please estimate the number of FTE and PTE jobs that will be filled, as indicated in the third column, by residents of the Labor Marker Area, in the fourth column. The Labor Marker Area includes: Monroe County, Orleans County, Genesee County, Wyoming County, Livingston County, Ontario County, Wayne County, Yates County, and Seneca County chosen at the Agency's discretion.

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VIII. LOCAL LABOR

To be completed by all Applicants and Users/Tenants of Projects which include the construction of new, expanded or renovated facilities:

Company Name Regional Distributors, Inc.
Applicant: or User/Tenant:

All project employees of the general contractor, subcontractor, or sub to a subcontractor (contractors) working on the project must reside within the following counties in the State of New York: Monroe, Genesee, Livingston, Ontario, Orleans, Seneca, Steuben, Wayne, Wyoming or Yates. The All-Local Labor criterion will be verified based on employment, payroll and related records.

Imagine Monroe understands that at certain times local labor may not be available within the local area. Under this condition, applicants are required to complete a waiver request of the All-Local Labor requirement 45 days in advance of commencing work. Contractors do not have to be local companies as defined herein, but must employ local people to qualify under the All-Local Labor criterion.

The foregoing terms have been read, reviewed and understood by the Applicant or User/Tenant and all appropriate personnel. Furthermore, the undersigned agrees and understands that the information contained herein must be transmitted and conveyed in a timely fashion to all applicable subcontractors, suppliers and materialman. Furthermore, the undersigned agrees to post and maintain a sign, provided by Imagine Monroe, in a prominent, easily accessible location, identifying the project as a recipient of Imagine Monroe assistance and the local labor requirements associated with this assistance.

Furthermore, the undersigned realizes that failure to abide by the terms herein could result in Imagine Monroe revoking all or any portion of benefits it deems reasonable in its sole discretion for any violation hereof.

Regional Distributors, Inc.
(APPLICANT or USER/TENANT COMPANY)
Samuel [Signature] E.V.P. 2/14/2020
Signature, Title Date

IX. FEES

1. **Application Fee - Send with Completed Application**

A non-refundable application fee of Three Hundred Fifty Dollars (\$350.00) shall be charged each applicant.

2. **Administrative Fee - Paid at Closing**

- (a) For tax-exempt IRB bond issues, the fee shall be one percent (1%) of the project amount. For projects that utilize a Payment In Lieu of Taxes (PILOT) agreement, an additional one-quarter percent (1/4%) will be added.
 - (b) For lease/leaseback transactions and taxable bond issues, the fee shall be one-half percent (1/2%) of the project amount. For projects that utilize a Payment In Lieu of Taxes (PILOT) agreement, an additional one-quarter percent (1/4%) will be added.
 - (c) For refunding outstanding COMIDA bond issues, the fee shall be one-quarter percent (1/4%) of the new issuance amount.
3. If a sales tax letter is required prior to closing, a non-refundable twenty-five percent (25%) of the Administrative Fee and Agency Counsel fee is payable at that time. This amount will be applied towards the Administrative fee and Agency Counsel Fee. The Sales Tax Letter shall only be for a three (3) month period. If the project does not have a formal closing within three (3) months of the sales tax letter being issued, and an extension is not granted, the balance of the Administrative fee and Agency Counsel fee become immediately due and payable.
4. Agency Counsel fee is one-third (1/3) of the Agency's Administrative fee, with a minimum fee for a lease/leaseback transaction of \$4,000.00.
5. Designated Bond Counsel fee is based on the complexity and amount of the transaction.

David C. Seaman Regional Director
(APPLICANT or USER/TENANT COMPANY)

David C. Seaman E.V.P. 2-14-2020
Signature , Title Date

X. CERTIFICATION

The undersigned company officer and/or user/tenant officer each hereby certifies, on behalf of the company and/or user/tenant, respectively (each singularly and together, the "Applicant"), as follows:

- A. The information contained in this Application, including employment information, is true and correct. The Applicant is aware that any material misrepresentation made in this Application constitutes an act of fraud, resulting in revocation of Imagine Monroe benefits.
- B. The undersigned, on behalf of the Applicant, hereby certifies that the Applicant, and all parties which own a minimum of 20% of the Applicant are current and will remain current on all real property, federal, state, sales, income and withholding taxes throughout the term of any agreements made in connection with this Application.
- C. Compliance with N.Y. GML Sec. 862(1): Applicant understands and agrees that the provisions of Section 862(1) of the New York General Municipal Law, as provided below, will not be violated if Financial Assistance is provided for the proposed Project:

§ 862. Restrictions on funds of the agency. (1) No funds of the agency shall be used in respect of any project if the completion thereof would 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, provided, however, that neither restriction shall apply if the agency shall determine on the basis of the application before it that the project is reasonably necessary to discourage the project occupant from removing such other plant or facility to a location outside the state or is reasonably necessary to preserve the competitive position of the project occupant in its respective industry.

- D. Compliance with Applicable Laws: The Applicant confirms and acknowledges that the owner, occupant, or operator receiving Financial Assistance for the proposed Project is in substantial compliance with applicable local, state and federal tax, worker protection and environmental laws, rules and regulations.
- E. False and Misleading Information: The Applicant confirms and acknowledges that the submission of any knowingly false or knowingly misleading information may lead to the immediate termination of any Financial Assistance and the reimbursement of an amount equal to all or part of any tax exemption claimed by reason of the Agency's involvement the Project.
- F. Recapture: Should the Applicant not expend as projected or hire as presented, the Agency may view such information/status as failing to meet the established standards of economic performance. In such events, some or all of the benefits taken by the Applicant will be subject to recapture.
- G. Applicant hereby releases the Imagine Monroe ("Agency") from, agrees that the Agency shall not be liable for, and agrees to indemnify, defend and hold the Agency 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, this Application, regardless of whether or not this Application or the 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, renovation and/or equipping of the Project described herein; and (C) any further action taken by the Agency with respect to the Project; including, without limiting the generality of the foregoing, all causes of action and attorneys' fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. Applicant hereby understands and agrees, in accordance with Section 875(3) of the New York General Municipal Law, that any New York State and local sales and use tax exemption claimed by the Applicant and approved by the Agency in connection with the Project may be subject to recapture by the Agency under such terms and conditions as will be set forth in the Agent Agreement to be entered into by and between the Agency and the Applicant. The Applicant further represents and warrants that the information contained in this

Application, including without limitation, information regarding the amount of New York State and local sales and use tax exemption benefits, is true, accurate and complete.

APPLICANT COMPANY

Regional Distributors, Inc.

Saul Stein Exec. V.P. 02/14/20
Signature , Title Date

USER/TENANT COMPANY

Signature , Title Date

A. Project Outline:

-The demising wall between our (2) warehouses located at 1285 Mount Read Boulevard and 1155 Lexington Avenue will be cut through to allow for more passageways

-Additional pallet racking will be installed and damaged racking will be replaced in both of these warehouses

-A new walk in cooler and freezer will be installed inside 1155 Lexington Avenue. With this addition and the removal of our existing small walk in freezer and cooler, we will more than triple storage space for refrigerated items.

-A new specialty pallet stacking truck will be purchased solely for usage in the new cooler and freezer in addition to (2) new order pickers

-The Service Department will be relocated near the front warehouse offices to accommodate the new cooler and provide easier access to this department by employees and customers as well as a new area to demo equipment. This may require plumbing and electrical/network additions, TBD.

-An opening will be added to relocate the dumpster to the rear of the building, opening availability of a loading dock

-Lighting at 1155 Lexington Avenue will be updated to motion sensor LED fixtures both inside and outside of the building to increase energy efficiency

-Electric panels will be adjusted and updated to accommodate the cooler installation and relocation of existing electrical equipment

-Offices will be reconfigured with furniture additions and fresh layout to allow for workforce growth

-Outdated phone system equipment and affected electrical and network infrastructure will be updated

100
100
100



B. Project Contractors	
<i>Wall Openings</i>	
Flower City Masonry George Bethlenny	Structure & Foundation 585-218-4380
Herrick-Saylor Engineers Jeff Hurd	Engineering 585-623-5134
Steel Tech Fabricators Terrance Brown	Steel Fabrication/Installation 585-323-2660
ProLift Paul Maher	(2) Order Pickers 585-202-0464
<i>Freezer & Cooler</i>	
Norlake Kevin Woodruff	Refrigeration Unit 585-295-3591
Flower City Masonry George Bethlenny	Foundation & Door Openings 585-218-4380
Buffalo Born Heating/Cooling Mario Fonzi	Removal of Current Units 716-427-3647
Buffalo Born Heating/Cooling Mario Fonzi	Installation of New Unit 716-427-3647
Crown/BHS Mike Campana/Jenn Lundin	Reach Truck 201-981-3200 / 716-894-6370
Szulgit Eric Szulgit	Electrical 585-370-0250
<i>Lighting Improvements</i>	
Szulgit Eric Szulgit	Electrical Installation 585-370-0250
Jacomb Lighting Larry Cronmiller	Fixtures, Equipment 585-625-0880
<i>Racking</i>	
Regional Distributors	Labor
CAST Systems Scott Ras	Equipment 585-436-9660
<i>Service Department Relocation</i>	
Regional Distributors	Labor
Szulgit Eric Szulgit	Electrical 585-370-0250
<i>Office Reconfiguration</i>	
TBD	Design, Equipment Phone System Upgrades
Szulgit Eric Szulgit	Electrical 585-370-0250

11-11-11

