

Application Title

5020 Main Application

Section I: Applicant Background Information

Applicant Information - Company Receiving Benefit

Total Project Cost 20000000
Applicant Name Iskalo 5020 Main LLC
Applicant Address 5166 Main Street, Williamsville, NY 14221
Phone 716-633-2096
Fax 716-633-5776
E-mail msroland@iskalo.com
Website www.iskalo.com
Fed ID# 45-5122471

Individual Completing Application

Name Matt Roland
Title Development Project Manager for Iskalo Development Corp.
Address 5166 Main Street, Williamsville, NY 14221
Phone 716-633-2096
Fax 716-633-5776
E-Mail msroland@iskalo.com

Company Contact (if different from individual completing application)

Name David Chiazza
Title Executive Vice President of Iskalo Development Corp.
Address 5166 Main Street, Williamsville, NY 14221
Phone 716-633-2096
Fax 716-633-5776
E-Mail dchiazza@iskalo.com

Company Counsel

Name of Attorney John Amershadian
Firm Name Hodgson Russ LLP
Address The Guaranty Building, 140 Pearl Street, Suite 100, Buffalo, NY 14202
Phone 716-856-4000
Fax 716-849-0349
E-Mail jamersha@hodgsonruss.com

Identify the assistance being requested of the Agency

Exemption from Sales Tax	Yes
Tax Exempt Financing	No
Exemption from Mortgage Tax	Yes
Exemption from Real Property Tax	Yes
Assignment/Assumption of existing PILOT benefits	No

Business Organization

Type of Business	Limited Liability Company
Year Established	2012
State of Organization	New York

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

Please include name and % of ownership.

Paul B. Iskalo - Managing Member with >50% ownership

Business Description

Describe in detail company background, products, customers, goods and services

Iskalo Development Corp. ("Iskalo") is a full-service, commercial real estate development company headquartered on Main Street in Williamsville, NY and active throughout Western New York. Iskalo, through its various ownership entities (LLCs) undertakes both ground-up as well as adaptive re-use real estate projects for its own portfolio. Iskalo serves as its own developer, architect, construction manager and property manager. Principal project uses include office, medical office, light industrial, village retail and mixed-use.

Estimated % of sales within Erie County	>90
Estimated % of sales outside Erie County but within New York State	5
Estimated % of sales outside New York State	5
Estimated % of sales outside the U.S.	0

What percentage of your total annual supplies, raw materials and vendor services are purchased from firms in Erie County? (You may be asked to provide supporting documentation of the estimated percentage of local purchases)

We estimate that typically 80% +/- of the materials, labor and services required to complete real estate projects undertaken by Iskalo are sourced in Erie County.

Section II: Project Description & Details

Location of proposed project facility

Address	5000-5010 Main Street & 42 Livingston Parkway
City	Amherst
State	New York
Zip Code	14226
SBL Number	80.06-7-9.111; 80.06-7-8.12
Town/City/Village	Town of Amherst
School District	Amherst Central
Present Project Site Owner	Iskalo 5000 Main LLC

Please provide a brief narrative of the project

Please see the attached Project Narrative.

Site Characteristics

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? (If yes, please provide copy)

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.

Will project include leasing any equipment?

No

If yes, please describe equipment and lease terms

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

Yes
If yes:

Iskalo Development's application to NYSERDA (New York State Energy Research and Development Authority) to enter the Hyatt Hotel project has been accepted to NYSERDA's New Construction Program. Iskalo is seeking to install an energy efficient mechanical system in the hotel rather than conventional all-electric through wall units as well as more energy efficient lighting than the Hyatt Place prototype specifies.

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

No
If yes, please explain

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

N/A

Explain why IDA participation is necessary for this project to proceed. Focus on competitiveness issues, project shortfalls, etc.

Please see the attached Project Narrative.

Project Information

Estimated costs in connection with project

Land and/or Building Acquisition \$ 1450000
3.30 acres 0.00 square feet

New Building Construction \$ 15000000
87200.00 square feet

New Building addition(s) \$ 0
0.00 square feet

Renovation \$ 0
0.00 square feet

Manufacturing Equipment \$ 0

Non-Manufacturing Equipment: (furniture, fixtures, etc.) \$ 2950000

Soft Costs: (professional services, etc.) \$ 600000

Other Cost \$ 0

Explain Other Costs

Total Cost 20000000

Project Refinancing (est. amount) 0

Select Project Type (check all that apply)

No Industrial	No Multi-Tenant	No Mixed Use
No Acquisition of Existing Facility	Yes Commercial	No Facility for the Aging
No Housing	No Back Office	No Civic Facility (not for profit)
Yes Equipment Purchase	Yes Retail	No Other

SIC Code
NAICS Code

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

Manufacturing/Processing	0.00 square feet
Warehouse	0.00 square feet
Research & Development	0.00 square feet
Commercial	0.00 square feet
Retail	87200.00 square feet
Office	0.00 square feet
Other	0.00 square feet

Specify Other

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

Gas	National Fuel	
Electric	National Grid	Size 1200 AMP (adding 2000 AMP service for Hyatt Place)
Water	Erie County Water Authority	Size 3" to Lord Amherst, 2" to restaurant, adding new 4" domestic service for Hyatt Place and 8" for fire protection service.
Sewer	Erie County	Size 8" for Lord Amherst, 4" for restaurant, adding new 8" for Hyatt Place.
Other (Specify)		

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>

What is your project timetable (Provide dates)

Start date : acquisition of equipment

2013-05-01

End date : Estimated completion of project

2014-07-01

Project occupancy : estimated starting date of operations

2014-07-01

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

Yes

Have any expenditures already been made by the company?

Yes

If yes, indicate particulars (Amherst IDA benefits do not apply to expenses incurred prior to Board approval)

Expenditures already incurred are for the purchase of the property and for the design, engineering costs and professional services associated with the design and approval of the project.

Is project necessary to expand project employment?

Yes

Is project necessary to retain existing employment?

Yes

Employment Plan (project location)

	Current Jobs	If project is to retain jobs, number of jobs to be retained	Total # of jobs 2 years after project completion
Full time	0	0	35
Part time	0	0	24

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.)

Estimates were provided by Emerald Hospitality, Inc., the hotel manager for the proposed hotel.

Current Full Time Jobs in other Erie county locations 0

Current Part Time Jobs in other Erie county locations 0

Payroll Information

Annual payroll

1250000

Estimated average annual salary of jobs to be retained

0

Average estimated annual salary of jobs to be created

1250000

Estimated salary range of jobs to be created

From minimum wage to \$65,000

Please also see attached Project Narrative.

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

<BLANK>

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

N/A

Were you offered financial assistance to locate outside of New York State?

<BLANK>

If yes, from whom and what type of assistance was offered

N/A

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

N/A

Have you contacted or been contacted by other economic or governmental agencies regarding this project?

<BLANK>

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

N/A

Section III: Adaptive Reuse Projects

Are you applying for a tax incentive under the Adaptive Reuse Program?

No

What is the age of the structure (in years)?

0.00

If yes, number of years vacant?

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)

<BLANK>

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>

Does the site have historical significance?

<BLANK>

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 (cash flow projections documenting costs, expenses and revenues indicating below average return on investment rates compared to regional industrial averages)

Briefly summarize the demonstrated support that you intend to receive from local government entities. Please provide the Amherst IDA with documentation of this support in the form of signed letters from these entities

Please indicate other factors that you would like the Amherst IDA 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 or structure is presently delinquent in property tax payments

Section IV: Retail Determination

Will project involve the sales of goods or services to customers who personally visit the facility?

Yes

If yes, complete the Retail Questionnaire Supplement below.

Will any portion of the project consist of facilities or property that is primarily used in making sales of goods or services to customers who personally visit the project site?

Yes

If the answer is yes, please continue.

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?

100.00

%

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).

Will the project be operated by a not-for-profit corporation?

No

Is the project likely to attract a significant number of visitors from outside the economic development region in which the project will be located?

Yes

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

Would the project occupant, but for the contemplated financial assistance from the industrial development agency, locate the related jobs outside the State of New York?

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If yes, please provide documentation regarding investigation of sites outside New York State.

Is the predominant purpose of the project to make available goods or services which would not otherwise be reasonably accessible to the residents of the project municipality?

Yes

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

Is the project located in a Neighborhood Redevelopment Area?

Yes

Section V: Inter-Municipal Move Determination

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 EITHER IS YES, please complete the following. If BOTH ARE NO, please 'save and continue' to the next section (Section VI: Facility Type - Single or Multi Tenant).

The Agency is required by state law to make a determination that Agency assistance is required to prevent the project occupant from relocating out of the state, or to preserve the project occupant's competitive position in its respective industry.

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

<BLANK>

If yes, please explain the factors which require the project occupant to relocate (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, has the project occupant attempted to find a suitable location within the municipality?

<BLANK>

Is the project reasonably necessary to preserve the project occupant's competitive position in its industry?

<BLANK>

If yes, please explain and provide supporting documentation

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

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 VI: Facility Type - Single or Multi Tenant

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

Single Use Facility part of a proposed hospitality campus to also include renovation of an existing, historic hotel and restaurant.

For Single Use Facility

Occupant Name Iskalo 5020 Main LLC
Address 5166 Main Street, Williamsville, NY 14221
Contact Person David Chiazza, Executive Vice President
Phone 716-633-2096
Fax 716-633-5776
E-Mail dchiazza@iskalo.com
Federal ID # 455122471
SIC/NAICS Code

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 list below and provide square footage (and percent of total square footage) to be leased to tenant and NAICS Code for tenant and nature of business