

Application Title

WWT-Tonawanda

Section I: Applicant Background Information

Applicant Information - Company Receiving Benefit

Total Project Cost 18700000
Applicant Name Zaepfel Development Co./Entity to be Formed
Applicant Address 5505 Main Street, Williamsville, NY 14221
Phone 716 632-7230
Fax 716 632-4947
E-mail
Website zaepfel.com
Fed ID#

Individual Completing Application

Name Gregory J. Zaepfel
Title Executive Vice-President
Address 5505 Main Street, Williamsville, NY 14221
Phone 716 632-7230
Fax 716 632-4947
E-Mail gjzaepfel@zaepfel.com

Company Contact (if different from individual completing application)

Name Ronald George
Title Chief Financial Officer
Address 5505 Main Street, Williamsville, NY 14221
Phone 716 62-7230 x23
Fax 716 632-4947
E-Mail rgeorge@zaepfel.com

Company Counsel

Name of Attorney Jonathan Schechter, Esq
Firm Name Gross, Shuman, Brizdle & Gilfillian PC
Address 465 Main Street, Suite 600, Buffalo, NY 14203
Phone 716 854-4300
Fax 716 854-2787

E-Mail

jschechter@grossshuman.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	2013
State of Organization	New York

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

Please include name and % of ownership.

James A. Zaepfel 75% Gregory J. Zaepfel 25%

Business Description**Describe in detail company background, products, customers, goods and services**

Project will lease the facility to Wythe Will Tzetzto (WWT). WWT plans to establish a warehouse, production, and office center in the facility which will initially employ 270 full time employees. Founded in 1961, WWT is based in Toano, Virginia and is a national packager and distributor of branded, unbranded and private-label candy, confections and specialty foods. Its brands include: Ghirardelli, Godiva, Jelly Belly and Harry & David. WWT has locations in Virginia, New York, Tennessee and California. With the merger of WWT with Buffalo based Tzetzto Bros. in June 2011, WWT is endeavoring to consolidate and merge the former operations of Tzetzto Bros into the consolidated operational format of WWT's operation centers in Virginia and Tennessee at the Tonawanda site. If Tonawanda is selected as the host community for this project, then the national headquarters will be transferred from the current location in Toano, Virginia to Tonawanda, New York resulting in new senior management jobs.

Estimated % of sales within Erie County	10.1%
Estimated % of sales outside Erie County but within New York State	21.9%
Estimated % of sales outside New York State	67.6%
Estimated % of sales outside the U.S.	.4%

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)

18% to 20%

Section II: Project Description & Details

Location of proposed project facility

Address	Portion of 779 Two Mile Creek Road
City	Tonawanda
State	New York
Zip Code	14217
SBL Number	52-15-1-2.11
Town/City/Village	Tonawanda
School District	Kenmore/Tonawanda
Present Project Site Owner	Town of Tonawanda

Please provide a brief narrative of the project

Construction of an approximately 310,000 sq. ft. facility to lease to Wythe Will Tzetzio. WWT plans to establish a warehouse, production and office center in the facility which will initially employ 270. Project will have a climate controlled 264,000 sf warehouse for the storage of fine candies and confections, a 32,000 sf production area for the manufacturing of sponge candy and packaging of candies and confections, and a 14,000 sf general office area. Currently Wythe Will Tzetzio is headquartered in Toane, Virginia and has distribution/production facilities in Virginia, Tennessee, California and Tonawanda. Other communities being considered for this project are Toane, Virginia and Columbus, Ohio.

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?

Yes

If yes, please explain

Tonawanda Mudflats has several known areas of radioactive contamination.

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?

Yes

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, please attach additional documentation describing the efficiencies achieved.

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

Wythe Will Tzetzto has four operation centers around the country, Virginia, Tennessee, Buffalo and California. In each center, WWT has office, packaging and distribution operations. In the Buffalo area, WWT is operating out of three separate facilities. WWT recognizes that to remain competitive in their highly competitive, small margin, high volume business, the Buffalo area operations have to be moved to one facility in order to gain the efficiencies their industry demands to remain competitive. WWT has undertaken an extensive search to assess where these current Buffalo area operations might best be located to service both regional and national accounts. WWT has concluded that to improve their efficiencies in the Buffalo area operation center, a facility of 310,000 sf is needed for their immediate use, with the ability to expand to 400,000 + sf. A determination as to where this facility will be located is part of their analysis and available local and state incentives are a major attraction and will play an important role in WWT's decision process of where this facility will be located.

Project Information**Estimated costs in connection with project****Land and/or Building Acquisition** \$ 500000

25.00 acres 0.00 square feet

New Building Construction \$ 16000000

310000.00 square feet

New Building addition(s) \$ 0

0.00 square feet

Renovation \$ 0

0.00 square feet

Manufacturing Equipment \$ 200000**Non-Manufacturing Equipment: (furniture, fixtures, etc.)** \$ 1000000**Soft Costs: (professional services, etc.)** \$ 750000**Other Cost** \$ 250000**Explain Other Costs** ECIDA and Bank fees and costs**Total Cost** 18700000**Project Refinancing (est. amount)** 0

Select Project Type (check all that apply)

Yes Industrial	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)
No Equipment Purchase	No Retail	No Other

SIC Code 5140

NAICS Code 424400

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

		Cost	% of Total Cost
Manufacturing/Processing	32 square feet	3	15
Warehouse	264 square feet	13	74
Research & Development	0 square feet	0	0
Commercial	0 square feet	0	0
Retail	0 square feet	0	0
Office	14 square feet	1	6
Specify Other	0 square feet	0	0

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

Gas

Electric Size

Water Size

Sewer Size

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**

2013-11-01

End date : Estimated completion of project

2014-11-01

Project occupancy : estimated starting date of operations

2014-11-01

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

No

Have any expenditures already been made by the company?

No

If yes, indicate particulars (ECIDA benefits do not apply to expenses incurred prior to Board approval)**Is project necessary to expand project employment?**

Yes

Is project necessary to retain existing employment?

Yes

Employment Plan (Specific to location):

	Current # of jobs at project location or to be relocated at project location	If project is to retain jobs, number of jobs to be retained	Total # of jobs 2 years after project completion
Full time	165	165	185
Part time	105	105	135
Total	270	270	320

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

Address	1100 Military Road, Tonawanda	2769 Broadway, Cheektowaga	1051 Clinton Street, Buffalo
Full time	125	40	0
Part time	100	5	0
Total	225	45	0

Payroll Information**Annual payroll**

10400000

Estimated average annual salary of jobs to be retained

42500

Average estimated annual salary of jobs to be created

75000

Estimated salary range of jobs to be created**From** 40000 **To** 500000

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

WWT is assessing where the Buffalo area operations might best be located to service both regional and national accounts. No retail takes place at an operations center, so a best location is determined by the logistics of supply and packaged product distribution and available local and state incentives. From a distribution perspective, WWT's national and east coast supply chain needs can be better met in a more central location, such as enlarging the Virginia operations center or in a new Ohio operations center. WWT's business operations require a well trained and reliable work force that they have in the Buffalo area. Therefore local and state incentives are necessary to provide the economics to make the retention of a Buffalo area operation possible.

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

Yes

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

Existing operations center in Virginia has received offers of available assistance to expand. And a potential new operations center in Ohio has received offers of available assistance.

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

From a distribution perspective, the national and east coast supply chain needs can be better met in a more central location.

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

Yes

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

New York State Excelsior Jobs Program and Economic Development Grant Fund. State of Virginia Major Business Facility Jobs Tax Credit, Enterprise Zone Program, Technology Zone, Governor's Opportunity Fund and VEDIG Program. State of Ohio JCTC Program, Economic Development Grant, sales tax exemptions, payroll tax abatements and property tax abatements.

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?

35

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)

Yes

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

Does the site have historical significance?

No

Briefly summarize the financial obstacles to development that this project faces without ECIDA or other public assistance. Please provide the ECIDA 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)

Site costs due to radioactive materials and impermeable cap placed over the materials.

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

NYS Excelsior Jobs Program and Economic Development Grant Fund.

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

Site located in a distressed census tract.

Section IV: Retail Determination

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

No

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?

No

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?

0.00
%

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?

No

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?

Yes

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?

No

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?

No

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 Yes

Within Erie County Yes

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?

Yes

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.)

City of Buffalo location of 25,000 sf is a third party overflow warehousing operation on a month-to-month lease with no WWT employees.

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...)

A site of approximately 25 acres to build a 310,000 sf facility with the ability to expand to 400,000 sf.

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?

Yes

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

Yes

If yes, please explain and provide supporting documentation

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

Key factors are the existing well trained and reliable work force, and the availability of local and state incentives.

What is going to happen to the current facility that project occupant is located in?

Existing three locations are leased.

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.

Riverview Solar Technology Park, Tonawanda Eastport Commerce Center, Lancaster North America Center, West Seneca Buffalo Lakeside Commerce, Buffalo Walden Commerce Exchange, Cheektowaga Spaulding Business Park, Cheektowaga Airborne Business Park, Cheektowaga Lancaster Commerce Center, Lancaster 2475 George Urban, Cheektowaga 100 Forest Avenue, Buffalo NFTA Terminal, Buffalo

Section VI: 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 Wythe Will Tzetzio
Address 3612 LaGrange Parkway
Contact Person Gordon Angles
Phone 757-566-5360
Fax 757-566-5379
E-Mail www.wythewill.com
Federal ID #
SIC/NAICS Code 5140/424400

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

Section VII: Environmental Questionnaire

General Background Information

Address of Premises

Portion of 779 Two Mile Creek Road, Tonawanda, NY

Name and Address of Owner of Premises

Town of Tonawanda, 2919 Delaware Avenue, Kenmore, NY 14217

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

Property known as "Mudflats"

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

Intended use to include general office, production area for packaging, and warehouse storage of products and materials

Describe all known former uses of the Premises

Vacant

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

No

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?

Yes

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

History of radioactive materials from the Landfill site.

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?

Yes

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

US Army Corps of Engineers in their September 2008 Record of Decision for the Mudflats Operable Unit gave an opinion that "no further action required".

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

No

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?

No

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?

No

If yes, please provide copies of the permits.

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

N/A

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

N/A

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?

No

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

None

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

None

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

No

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?

No

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

None

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?

No

If yes, relate all the circumstances

Do the Premises have any asbestos containing materials?

No

If yes, please identify the materials