

Application Title

Tax Incentive Application

Section I: Applicant Background Information

Applicant Information - Company Receiving Benefit

Total Project Cost 7300000
Applicant Name North American Salt Company
Applicant Address 9900 W. 109th Street Suite 100 Overland Park Kansas 66210
Phone 913 3449150
Fax 913 4339756
E-mail thimmeschk@compassminerals.com
Website www.compassminerals.com
Fed ID#

Individual Completing Application

Name Kevin C. Thimmesch
Title Senior Director - Procurement
Address 9900 W. 109th Street Suite 100 Overland Park Kansas 66210
Phone 913 3449150
Fax 9134339756
E-Mail thimmeschk@compassminerals.com

Company Contact (if different from individual completing application)

Name
Title
Address
Phone
Fax
E-Mail

Company Counsel

Name of Attorney Anthony D. Mancinelli
Firm Name Harter Secrest and Emery LLP
Address Twelve Fountain Plaza Suite 400 Buffalo New York 14202-2293
Phone 716 8531616
Fax 716 8531617

E-Mail

amancinelli@hselaw.com

Identify the assistance being requested of the Agency

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

Business Organization

Type of Business	Corporation
Year Established	1988
State of Organization	Delaware

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

Please include name and % of ownership.

NASC is owned 100% by NAMSCO, Inc and NAMSCO, Inc is owned 100% by Comass Minerals International, Inc which is a public company that is traded on the NYSE and no shareholder owns greater than 20%

Business Description

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

Salt Mining company that produces, processes and packages products for consumer delcing, water conditioning, human consumption and animal nutrition along with a variety of other end uses.

Estimated % of sales within Erie County

Estimated % of sales outside Erie County but within New York State

Estimated % of sales outside New York State 95%

Estimated % of sales outside the U.S. ~20%

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)

<5%

Section II: Project Description & Details

Location of proposed project facility

Address	1951 Hamburg Turnpike
City	Lackawanna
State	New York
Zip Code	14218
SBL Number	part of 141.11-1-1.121
Town/City/Village	Lackawanna
School District	Lackawanna
Present Project Site Owner	Gateway Trade Center, Inc

Please provide a brief narrative of the project

The NEUS project plan includes a land lease with Gateway Trade Center, the construction and equipping of two structures for importation, packaging and distribution of bulk salt from the North American Salt Company mine located in Goderich Ontario via ship vessel. Off loaded bulk salt material will reside in a 20K ton storage dome to be constructed on the site. Conveyance of bulk material into an adjacent packaging/warehouseing/distribution facility to be constructed for packaging and palletization of consumer deicing products for sale to existing (Big Box Retail Store) and new customers in the Northeast United States. Current plans include annualized production of approximately 50K tons.

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

Site is however, a suspected brownfield site on which were located Bethlehem Steel's basic steel making operations.

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)

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.

Will project include leasing any equipment?

Yes

If yes, please describe equipment and lease terms

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

No

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?

None

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

NASC currently distributes packaged salt products to customers in the Northeastern United States. Distribution of these products currently originates from current NASC operations requiring significant distribution costs. This project proves economically viable if the project costs do not exceed current distribution costs. Without incentive the current distribution model may prove more economically feasible, eliminating the need for this project.

Project Information**Estimated costs in connection with project****Land and/or Building Acquisition** \$ 0

0.00 acres 0.00 square feet

New Building Construction \$ 2890000

33400.00 square feet

New Building addition(s) \$ 0

0.00 square feet

Renovation \$ 0

0.00 square feet

Manufacturing Equipment \$ 1120000**Non-Manufacturing Equipment: (furniture, fixtures, etc.)** \$ 10000**Soft Costs: (professional services, etc.)** \$ 1500000**Other Cost** \$ 1780000**Explain Other Costs** Internal building support, utilities, engineered foundations**Total Cost** 7300000**Project Refinancing (est. amount)** 0

Mobile office accommodations, mobile equipment including forklifts and front end loaders. Terms to be negotiated in future phases of the project.

Select Project Type (check all that apply)

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

SIC Code
NAICS Code

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

		Cost	% of Total Cost
Manufacturing/Processing	5400 square feet	905000	33
Warehouse	28000 square feet	1871000	67
Research & Development	0 square feet	0	0
Commercial	0 square feet	0	0
Retail	0 square feet	0	0
Office	0 square feet	0	0
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**

2014-03-01

End date : Estimated completion of project

2014-10-01

Project occupancy : estimated starting date of operations

2014-10-01

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?**

No

Is project necessary to retain existing employment?

No

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	0	0	8
Part time	0	0	0
Total	0	0	8

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

Payroll Information**Annual payroll**

400000

Estimated average annual salary of jobs to be retained

0

Average estimated annual salary of jobs to be created

40000

Estimated salary range of jobs to be created**From** 35000 **To** 80000

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

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

No

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

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

Cost of operation including labor, capital, distribution and constructing including incentive offsets.

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

No

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

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)

No

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 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)

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

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

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?

<BLANK>

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?

<BLANK>

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

<BLANK>

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?

<BLANK>

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?

<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>

Is the project located in a Neighborhood Redevelopment Area?

<BLANK>

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

For Single Use Facility

Occupant Name	North American Salt Company
Address	9900 W. 109th Street Overland Park Kansas 66210
Contact Person	Kevin Thimmesch
Phone	9133449150
Fax	9134339756
E-Mail	thimmeschk@compassminerals.com
Federal ID #	
SIC/NAICS Code	311942

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

1951 Hamburg Turnpike Lackawanna New York 14218

Name and Address of Owner of Premises

Gateway Trade Center, Inc. 2544 Clinton Street P.O. Box 880 Buffalo NY 14224

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

Industrialized depot facility located on Lake Erie for ship going vessel offloading, processing and distribution with adjacent industrial operations.

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

All new construction

Describe all known former uses of the Premises

Depot/port for offloading of vessels for material processing and distribution. Bethlehem Steel site.

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

Yes

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

Gateway Trade Center - Depot/port for offloading of vessels for material processing and distribution

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

No

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

None known

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?

No

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

Unknown

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

Unknown

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

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

none

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

Sanitary sewage only and stormwater discharge. A SPDES permit for consstruction will be obtained.

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?

No

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?

No

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

Unknown

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

Unknown

Do the Premises have any asbestos containing materials?

No

If yes, please identify the materials