



**2016 Addition**

**Section I: Applicant Background Information**

Applicant Information - Company Receiving Benefit

**Applicant Name** Kohler Awning Inc.  
**Applicant Address** 2600 Walden Ave.  
**Applicant Address 2**  
**Applicant City**  
**Applicant State** New York  
**Applicant Zip** 14225  
**Phone** 716-685-3333  
**Fax** 716-685-0126  
**E-mail** jesse@kohlerawning.com  
**Website** kohlerawning.com  
**Federal ID#**  
**NAICS Code** 332322  
**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** JCJ LLC  
**Federal ID#** - - - - -  
**State and Year of Incorporation/Organization** NY 1985  
**List of stockholders, members, or partners of Real Estate Holding Company** Jesse Kohler Craig Kohler John M. Kohler III

Individual Completing Application

**Name** Jesse Kohler  
**Title** VP  
**Address** 2600 Walden Ave.  
**Address 2**  
**City**  
**State**  
**Zip**  
**Phone** 716-685-3333  
**Fax** 716-685-0126

**E-Mail**

jesse@kohlerawning.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** Richard P. Krieger  
**Firm Name** Barclay Damon LLP  
**Address** 200 Delaware Ave.  
**Address 2**  
**City**  
**State**  
**Zip**  
**Phone** 716-858-3758  
**Fax** 716-768-2758  
**E-Mail** rkrieger@barclaydamon.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** Corporation  
**Type of Ownership**  
**Year Established** 1925  
**State of Organization** New York

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

**Please include name and % of ownership.**

Jesse Kohler 33% Craig Kohler 33% John M. Kohler III 33%

Applicant Business Description

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

We are a family owned and operated custom awning manufacturer. Founded in 1925, we are on our 3th and 4th generation of owners. Our products include seasonal and year round fabric awnings, aluminum awnings, rigid screens, motorized screens, commercial awnings, signs, and graphics. We offer seasonal removal, storage, and installation of residential and commercial awnings. The seasonal nature of our business requires us to hire 20 - 30 part time workers who are employed from late March to early November ( some get laid of for July and August depending on workload ). Some commercial and residential awnings require us to cut steel tubing and steel plates which are then welded together. All awnings are intricately measured. The data is then entered into our software which is read by our computerized cutting table, which cuts and marks the fabric. The material is then transferred to our fabric welding machine which puts the widths together to form a blank which will eventually become the awning. The blanks are then given to the sewers who add bites and hems to form the awning and allow us to adhere it to the framework. We also have a graphics department which helps with design and marketing while also adhering graphics to some awnings. They also manufacture banners, window graphics and signs in that department. Everything we do is custom manufactured. Although every awning may be similar to something else we have done, each one is like a prototype.

<b>Estimated % of sales within Erie County</b>	60
<b>Estimated % of sales outside Erie County but within New York State</b>	39
<b>Estimated % of sales outside New York State but within the U.S.</b>	1
<b>Estimated % of sales outside the U.S.</b>	0

(\*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**

We love to buy local and support our community whenever we can. In order to stay competitive and keep our workers employed we need to buy on a wholesale level, which requires us to purchase these goods out of town. I am happy to say, the majority of what we buy is made in the US and not from China or Mexico. The list below constitutes about 8% of our annual supplies and vendor services all from Erie County 1. Eberl Iron <1% 2. Strate Welding <1% 3. Eaton Office Supply <1% 4. Fastenal <1% 5. Wurth Supply <1% 6. Phillips Bros. <1% 7. Forest Materials <1% 8. 84 Lumber <1% 9. Buffalo Finishing <1% 10. Custom Canvas <1% 11. Tristar Automotive <1% 12. Allied Bldg. <1% 13. Cristall Co. Inc. <1% 14. Commercial Pipe <1% 15. Image Supply <1% 16. Glantz <1% 17. Gorenflo <1% 18. Home Depot <1% 19. McCarthy Electric <1% 20. Sherwin Williams <1% 21. Multiple solutions <1% 22. Napa Auto <1% 23. Upstate Steel <1% 24. Republic Services <1% 25. Hiliti Inc. <1% 26. Harmco <1% 27. Grainger <1% 28. Hanes Supply <1% 29. Cinta First Aid <1%

## Section II: Eligibility Questionnaire - Project Description & Details

### Project Location

#### **Municipality or Municipalities of current operations**

Cheektowaga

#### **Will the Proposed Project be located within a Municipality identified above?**

Yes

#### **In which Municipality will the proposed project be located**

Cheektowaga Central

#### **Address**

2600 Walden Ave. Cheek. NY 14225

#### **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**

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

##### **Assessed value of land**

\$190,345

##### **Assessed value of building(s)**

\$899,655

#### **Are Real Property Taxes current?**

Yes

#### **If no please explain**

#### **Town/City/Village of Project Site**

Cheektowaga

#### **School District of Project Site**

Cheektowaga

#### **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**

Manufacturing, storage, offices, and showroom

#### **Please provide narrative of 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)**

We are building a 12,000 sq. ft. addition on to our existing building, which is currently 38,254 sq. ft. This is the second expansion Kohler Awning Inc. has undertaken at this location. Kohler needs the space for additional manufacturing area as well as expanded storage of materials. Additional storage racking will be purchased for this project. This will all help us increase sales, retain and expand our workforce, improve productivity, and stay competitive.

**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)**

e current size of our facility does not allow us to expand and/or grow. The incentives we receive on this project will allow Kohler to remain competitive, and make the project affordable by lowering our long term debt with our lender and helping with cash flow. This project will also afford us to hire at least 1 full time employee and a few additional part time hires. We also will be retaining all our full time and part time workers.

**Will project include leasing any equipment?**

No

**If yes, please describe equipment and lease terms.**

#### Site Characteristics

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

Yes

**Describe the present zoning/land use**

Commercial/Manufacturing

**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?**

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.

We are constantly looking at ways we can expand our business. As the needs arise, we develop and test these products at this location.

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

1

#### 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**    No

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**

**No Back Office**

**No Civic Facility (not for profit)**

**No Equipment Purchase**

**No Retail**

**No Other**

Project Information

**Estimated costs in connection with project**

**Land and/or Building Acquisition**

\$ 0 square feet acres

**New Building Construction**

\$ 0 square feet

**New Building addition(s)**

\$ 650,000 12,000 square feet

**Infrastructure Work**

\$ 150,000

**Renovation**

\$ 0 square feet

**Manufacturing Equipment**

\$ 0

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

\$ 40,000

**Soft Costs: (professional services, etc.)**

\$ 10,000

**Other Cost**

\$ 0

**Explain Other Costs**

**Total Cost**

\$ 850,000

**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?**

No

**If Yes, describe particulars:**

Sources of Funds for Project Costs:

**Estimated Mortgage Amount (Sum total of all financing – construction and bridge)**

\$ 850,000

**Lender Name, if Known**

Five Star Bank

**Equity**

Construction Cost Breakdown:

**Total Cost of Construction**

\$ 840,000 (sum of 2,3,4,5, and/or 7 in Question K, above)

**Cost for materials**

\$ 325,000



**% sourced in Erie County**

100%

**% sourced in State**

100% (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**

\$ 325,000

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

\$ 28,437

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

		<b>Cost</b>	<b>% of Total Cost</b>
<b>Manufacturing/Processing</b>	1,400 square feet	\$ 75,830	11
<b>Warehouse</b>	10,000 square feet	\$ 541,700	85
<b>Research &amp; Development</b>	square feet	\$ 0	0
<b>Commercial</b>	square feet	\$ 0	0
<b>Retail</b>	square feet	\$ 0	0
<b>Office</b>	600 square feet	\$ 29,770	4
<b>Specify Other</b>	square feet	\$ 0	0

**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**

7/1/2016

**End date : Estimated completion date of project**

12/15/2016

**Project occupancy : estimated starting date of operations**

12/15/2016

**Have construction contracts been signed?**

Yes

**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?**

No

**Is project necessary to expand project employment?**

Yes

**Is project necessary to retain existing employment?**

Yes

Employment Plan (Specific to the proposed project location):

	<b>Current # of jobs at proposed project location or to be relocated at project location</b>	<b>If project is to retain jobs, number of jobs to be retained</b>	<b>Total # of jobs 2 years after project completion</b>	<b>Net total new jobs</b>
<b>Full time</b>	0	50	51	1
<b>Part time</b>	0	20	22	2
<b>Total</b>	0	0	0	

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

<b>Address</b>			
<b>Full time</b>	0	0	0
<b>Part time</b>	0	0	0
<b>Total</b>	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**

\$ 2,300,000

**Estimated average annual salary of jobs to be retained**

\$ 29,000

**Estimated average annual salary of jobs to be created**

\$ 26,000

**Estimated salary range of jobs to be created**

**From**

\$ 21,000

**To \$ 30,000**

**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?**

No

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

**Do you anticipate applying for any other assistance for this project?**

No

**If yes, what type of assistance (Historic Tax Credits, 485(a), Grants, Utility Loans, Energy Assistance, Workforce Training)**

**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** Kohler Awning Inc.  
**Address** 2600 Walden Ave.  
**Contact Person** Jesse Kohler  
**Phone** 716-685-3333  
**Fax** 716-685-0126  
**E-Mail** jesse@kohlerawning.com  
**Federal ID #**  
**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 fill out a tenant form in section VII, for each tenant.**

<b>Tenant Name</b>	<b>Current Address (city, state, zip)</b>	<b># of sq ft and % of total to be occupied at new projet site</b>	<b>SIC or NAICS-also briefly describe type of business, products services, % of sales in Erie Co.</b>
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## 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?**

<BLANK>

**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**

<b>Are you applying for tax incentives under the Adaptive Reuse Program?</b>	No
<b>What is the age of the structure (in years)?</b>	0
<b>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)</b>	<BLANK>
<b>If vacant, number of years vacant.</b>	0
<b>If underutilized, number of years underutilized.</b>	0
<b>Describe the use of the building during the time it has been underutilized:</b>	
<b>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)</b>	<BLANK>
<b>If yes, please provide dollar amount of income being generated, if any</b>	\$
<b>Does the site have historical significance?</b>	<BLANK>
<b>Are you applying for either State/Federal Historical Tax Credit Programs?</b>	Yes
<b>If yes, provide estimated value of tax credits</b>	\$
<b>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 (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)</b>	
<b>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</b>	
<b>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</b>	

## **Section VIII: Senior Citizen Rental Housing Projects**

**Are you applying for tax incentives under the Senior Rental Housing policy?**

**Has the project received written support from the city, town or village government in which it is located?**

**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?**

**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?**

**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?**

**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?**

**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?**

**Are there impediments that hinder the ability to conventionally finance this project and /or negatively impact the project's return on investment?**

**If yes, please 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 (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?**

**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?** No

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?** 0 %

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?** <BLANK>