

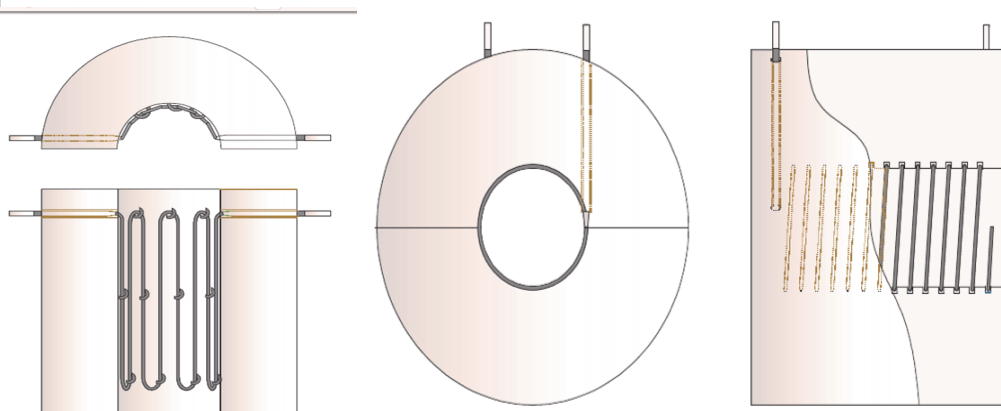
I Squared R Element Co., Inc. \$5,275,000 INDUCEMENT RESOLUTION

HIGHLIGHTS

- Eligibility: NAICS Section - 33

COMPANY INCENTIVES

- Approximately \$325,000 in property tax savings.
- Approximately \$299,000 in sales tax savings
- Up to \$52,750 in mortgage recording tax savings.
- The project will generate approximately \$89,000 to the taxing jurisdictions representing \$17,000 to the County of Erie, \$4,400 to the Town of Newstead, \$19,000 to the Village of Akron and \$49,000 to the Akron Central School District.



Project Title: I Squared R Element Co., Inc.

Project Address: 12600 Clarence Center Road, Akron, New York 14001
(Akron Central School District)

SIC/NAICS: 3567/333994

Agency Request

Real property tax abatement, sales tax savings and a mortgage recording tax savings in connection with the proposed project.

Building Addition & Renovations	\$2,850,000
Equipment	425,000
Other (electric substation)	2,000,000
Total Project Cost	\$5,275,000

Company Description

I Squared R Element Company was founded in 1964 by Jack Davis and Stan Matys. The company is the largest US manufacturer of silicon carbide heating elements. Trade names are Starbar® and Moly-D®. These heating elements have a maximum use temperature of 3100°F and 3300°F. The company's main completion is from China and Japan.

The company's products are frequently used in the following industries:

- Glass—holding, refining and experimental glass melting
- Ceramics—firing of ferrites, steatites, titanates, tiles, refractories, dinnerware, electrical porcelain, calcining, ores, and powders
- Metallurgical—heat treating, forging, annealing, hardening and deoxidizing, brazing, sintering powdered metal parts, and melting
- Diecasting
- Laboratory, Research and Development
- Heating Industries with application temperatures over 540°C (100°F) and up to 1775°C(3227°F).

I Squared R Element Co., Inc.

Project Description

The project consists of the construction of a 36,000 sq. ft. expansion of the company's existing 86,000 sq. ft. manufacturing facilities. Existing warehouse space will be re-located to the newly built addition freeing up the old space for the addition of furnaces for increased production & research & development. The company will also be purchasing machinery and equipment..

Project Incentives

- Approximately \$325,000 in property tax savings.
- Approximately \$299,000 in sales tax savings
- Up to \$52,750 in mortgage recording tax savings.

Project Benefit

- The project will generate approximately \$89,000 to the taxing jurisdictions representing \$17,000 to the County of Erie, \$4,400 to the Town of Newstead, \$19,000 to the Village of Akron and \$49,000 to the Akron Central School District.

Employment

Current:

70

Projected (2 Years)

70

Additional jobs are anticipated as part of the expansion project but the number is undetermined at this point.

Project History

- | | |
|---------|--|
| 3/18/11 | Public Hearing held. No oral or written comments. Transcript on file at ECIDA. |
| 3/21/11 | Inducement Resolution presented to Board of directors authorizing adoption of a Negative Declaration in accordance with SEQRA. |
| 3/21/11 | \$5,275,000 Lease/Leaseback Inducement Resolution presented to Board of Directors. |

Company History

- | | |
|---------|------------------------|
| 9/24/82 | \$300,000 Bond Closed |
| 5/29/98 | \$295,552 Lease Closed |