

## Application Title

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Tax Incentive Application

### Section I: Applicant Background Information

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#### Applicant Information - Company Receiving Benefit

Total Project Cost                   **2500000**

Applicant Name                       **Flying Bison Brewing Company, LLC**

Applicant Address                   **491 Ontario St.**

Phone                                   **716-873-1557**

Fax                                       **None**

E-mail                                  **tim.herzog@flyingbisonbrewing.com**

Website                               **www.flyingbisonbrewing.com**

Fed ID#                                 **-----**

#### Individual Completing Application

Name                                   **Timothy Herzog**

Title                                   **General Manager**

Address                               **491 Ontario Street Buffalo, NY 14207**

Phone                                  **998-4502**

Fax                                      

E-Mail                                 **tim.herzog@flyingbisonbrewing.com**

#### Company Contact (if different from individual completing application)

Name

Title

Address

Phone

Fax

E-Mail

#### Company Counsel

Name of Attorney                   **F.X. Matt , III**

Firm Name                           **Matt Law Firm**

Address                               **1701 Genesee Street, Utica, New York 13501**

Phone                                 **315 624 7360**

Fax                                     **315 624 7359**

E-Mail                                 **fmatt@mattlawfirm.com**

## Identify the assistance being requested of the Agency

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

## Business Organization

Type of Business	<b>Limited Liability Company</b>
Year Established	<b>2011</b>
State of Organization	<b>New York</b>

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

Please include name and % of ownership.

**Matt Brewing Co., Inc., 100%**

## Business Description

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

**Flying Bison is the first stand alone brewery since Iroquois Brewing closed its doors in 1972. Initially the company started with a 20-barrel capacity. Today our capacity is 6,000 barrels. Our beer is brewed for local distribution. Customers include bars, restaurants and taverns which receive beer from us through Try-It Distributing. We also have a sampling area where visitors can tour, taste, and buy a keg or growler to take home.**

Estimated % of sales within Erie County	<b>85%</b>
Estimated % of sales outside Erie County but within New York State	<b>15%</b>
Estimated % of sales outside New York State	<b>0</b>
Estimated % of sales outside the U.S.	<b>0</b>

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)

**None of our brewing supplies (malted barley and hops) are available from businesses in Erie County. Some of our packaging supplies and all of our vendor services are purchased from Erie County businesses.**

## Section II: Project Description & Details

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### Location of proposed project facility

Address **840 Seneca St.**  
City **Buffalo**  
State **New York**  
Zip Code **14210**  
SBL Number  
Town/City/Village **Buffalo**  
School District **Buffalo City**  
Present Project Site Owner **Flying Bison Brewing Company, LLC**

Please provide a brief narrative of the project

**Demolish cinder block structure on site. Prepare site for new building. Build 12,500 sq. ft. building and install brewing and bottling equipment along with a new cooler. The project will allow for increased production capacity. Add a visitors reception and tasting room to the brewery and landscape site and pave parking lot.**

### 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?

**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?

**Yes**

If yes, please explain

**We are always developing new products and searching for flavors that can be provided by locally sourced ingredients.**

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

**1-2%**

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

**The project has become more expensive than was originally anticipated. The initial cost of modifying a rental building was only \$284,000 but now with purchase of land, a new building and required site development we are at a total cost of around \$2,500,000.**

**Project Information**

Estimated costs in connection with project

Land and/or Building Acquisition **\$ 300000**

1.25 acres 0.00 square feet

New Building Construction **\$ 2000000**

12500.00 square feet

New Building addition(s) **\$ 0**

0.00 square feet

Renovation **\$ 0**

0.00 square feet

Manufacturing Equipment **\$ 95000**

Non-Manufacturing Equipment: (furniture, fixtures, etc.) **\$ 0**

Soft Costs: (professional services, etc.) **\$ 105000**

Other Cost **\$ 0**

**Explain Other Costs**

**Total Cost 2500000**

**Project Refinancing (est. amount) 0**

Select Project Type (check all that apply)

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

**SIC Code 2082**

**NAICS Code 312120**

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

		<b>Cost</b>	<b>% of Total Cost</b>
Manufacturing/Processing	<b>6720</b> square feet	<b>1675000</b>	<b>67</b>
Warehouse	<b>1650</b> square feet	<b>200000</b>	<b>8</b>
Research & Development	<b>100</b> square feet	<b>25000</b>	<b>1</b>
Commercial	<b>0</b> square feet	<b>0</b>	<b>0</b>
Retail	<b>3300</b> square feet	<b>500000</b>	<b>20</b>
Office	<b>250</b> square feet	<b>25000</b>	<b>1</b>
Specify Other	<b>480</b> square feet	<b>75000</b>	<b>3</b>

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

**2014-06-30**

End date : Estimated completion of project

**2014-09-30**

Project occupancy : estimated starting date of operations

**2014-10-30**

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 (ECIDA benefits do not apply to expenses incurred prior to Board approval)

**Purchase of Real Estate, Cooler, and Bottling Line.**

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	5	0	9
Part time	0	0	3
Total	5	0	12

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

**179000**

Estimated average annual salary of jobs to be retained

**35800**

Average estimated annual salary of jobs to be created

**27000**

Estimated salary range of jobs to be created

From **25000** To **32000**

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?

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

**NYSERDA and Empire State Development**

### Section III: Adaptive Reuse Projects

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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 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?

**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?

**20.00 %**

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?

**No**

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?

**Yes**

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?

**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.)

**We have out grown our current space, our utility services, and storage capabilities. Our retail traffic is growing, and current space is not "walk up" friendly. Building owner will not renew lease as he is expanding also and needs this space.**

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...)

**Minimum 12,000 sq. ft. -- 15ft. or taller ceiling -- two loading docks -- 4in. or bigger water line -- 800 amp @ 480 volt 3 phase electric -- floor drains -- user friendly address -- tasting room -- outdoor space for Biergarten -- insulated walls -- 1,000 sq.ft. cooler**

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?

**Yes**

If yes, please explain and provide supporting documentation

**Flying Blson is currently not filling all orders with our distributor. More beer is needed to grow the company, so more space is needed to bring in more/larger equipment.**

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

**Cost of and availability of water -- our core market is here -- ability to grow sales without shipping a long distance -- relationship with distributor and retailers**

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

**Owner of building (DiVal Safety) will expand his business into space we vacate.**

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.

**Please see hard copy attachment**

## 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 **Flying Bison Brewing Company**  
Address **491 Ontario St.**  
Contact Person **Tim Herzog**  
Phone **716-873-1557**  
Fax  
E-Mail **tim.herzog@flyingbisonbrewing.com**  
Federal ID #  
SIC/NAICS Code **2082 / 312120**

### 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

**840 Seneca St. Buffalo, NY 14210**

#### Name and Address of Owner of Premises

**Flying Bison Brewing Co., LLC 491 Ontario St. Buffalo, NY 14207**

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

**1.25 acre lot on Seneca St. at the corner of Lord St. The lot is flat, untreed, with no water feature.**

#### 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

**1946 cinder block building which will be demolished**

#### Describe all known former uses of the Premises

**plywood storage, wood planing, filling station, barrel house style tavern, residential, truck storage**

#### 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

**There was a gasoline filling station on a portion of this property. It has been remediated. See attached DEC and Phase 1 documents.**

#### 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

#### 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

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

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

**No discharge into Waterbodies**

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

**There are no septic tanks on site.**

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

**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