

# NYCIDA PROJECT COST/BENEFIT ANALYSIS

January 3, 2013

## APPLICANT

Art to Frames Inc., Y Picture Frames Corp.,  
And Yale Picture Frame & Moulding USA  
Corp.  
770 5<sup>th</sup> Avenue  
a/k/a 770-773 5<sup>th</sup> Avenue  
a/k/a 227 28<sup>th</sup> Street  
Brooklyn, NY 11232

## PROJECT LOCATION

770 5<sup>th</sup> Avenue  
a/k/a 770-773 5<sup>th</sup> Avenue  
a/k/a 227 28<sup>th</sup> Street  
Brooklyn, NY 11232

### **A. Project Description:**

770 Frame LLC seeks assistance for the benefit of Art to Frames Inc., Y Picture Frames Corp. and Yale Picture Frame & Moulding USA Corp., (the "Companies"), in connection with the acquisition, furnishing and/or equipping of an approximately 19,600 square foot building located on an approximately 21,540 square foot parcel of land (the "Project"), which the Companies presently lease. The Companies are New York corporations, and affiliates, that manufacture and distribute custom picture frames, collages, letter boards and canvases.

Total Project costs are estimated to be approximately \$3,940,410 with approximately \$3,586,410 for acquisition, \$140,000 for machinery, furnishing and equipment, and \$214,000 for fees.

The Company currently employs 31 full-time employees at the Project location, and projects adding 14, for a total of 45 full time employees within three years.

### **B. Costs to City (New York City taxes to be exempted):**

Mortgage Recording Tax Benefit:	\$	55,581
Land Tax Abatement (NPV, 25 years):		410,321
Building Tax Exemption (NPV, 25 years):		835,731
Sales Tax Exemption:		6,300
<b>Total Cost to NYC</b>	<b>\$</b>	<b>1,307,933</b>

### **C. Benefit to City (Estimated NYC direct and indirect taxes to be generated by Company) (estimated NPV 25 years @ 6.25%):**

**\$ 2,597,322**

**Company Contact Information**

This page collects information for all contacts involved in the Project.

Applicant Name: Art to Frames Inc., Y Picture Frames Corp. and Yale Picture Frame & Moulding USA Corp.	
Operating Company Address: 770 5 <sup>th</sup> Avenue a/k/a 770-773 5 <sup>th</sup> Avenue a/k/a 227 28 <sup>th</sup> Street, Brooklyn, New York 11232	
Website Address: <a href="http://www.arttoframes.com">http://www.arttoframes.com</a>	
EIN #: [REDACTED]	NAICS Code: 339999
Date of Application: November 19, 2012	

1. Officer of Applicant serving as contact person:

Name/Title: Schneur Minsky Firm: Art to Frames Inc., Y Picture Frames Corp. and Yale Picture Frame & Moulding USA Corp.  
 Phone: [REDACTED] Fax: [REDACTED]  
 E-mail Address: [REDACTED] Address: 770 5<sup>th</sup> Avenue, Brooklyn, New York 11232

2. Attorney of Applicant:

Name: Neil Kupferman Firm: Neil Kupferman Law  
 Phone: [REDACTED] Fax: [REDACTED]  
 E-mail Address: [REDACTED] Address: 459 6<sup>th</sup> Avenue, Brooklyn, New York 11215

3. Accountant of Applicant:

Name: Moishe Simon Firm: Moishe Simon CPA  
 Phone: [REDACTED] Fax: [REDACTED]  
 E-mail Address: [REDACTED] Address: 26 Court Street #1710, Brooklyn, New York 11242

4. Other Advisor/Consultant to Applicant (if applicable):

Name: Valcia Miceli Firm: Val Funding Inc.  
 Phone: [REDACTED] Fax: [REDACTED]  
 E-mail Address: [REDACTED] Address: 16 Clay Street, New City, New York 10956

**Company Background**

This page collects a brief overview of the Applicant's structure and operations.

1. Applicant is (check one of the following, as applicable):

- General Partnership
- Limited Partnership
- C Corporation
- S Corporation
- Limited Liability Company
- Natural Person
- 501(c)(3) Organization
- Other (specify): \_\_\_\_\_

2. Are any securities of Applicant publicly traded?  Yes  No

3. Applicant's state of incorporation or formation: New York

4. Applicant's date of incorporation or formation: Art to Frames – January 2009; Yale Picture Frames – November 2004; Y Picture Frames – February 2007

5. States in which Applicant is qualified to do business: All 50 States

6. Please provide a brief description the nature of the business, including a description of the industry, competitors, services offered, and any other relevant info:

Y Picture Frames Corp. and Yale Picture Frame & Moulding USA Corp. are manufacturers and distributors of custom picture frames, collages, letter boards and canvases. Yale Picture Frame & Moulding USA Corp. was purchased by the current owners in 2004 and Y Picture Frames Corp was created in 2007, with both Companies serving a diverse group of clients including industrial, commercial, NFP and government agencies throughout the world. In 2009, during the economic turmoil, Art to Frames Inc. was launched to create and manage a website (<http://www.arttoframes.com>), allowing its clients to fully customize each and every one of its products. Specific layouts, fonts, materials, color and sizes can be altered– offering limitless options to its various clients. Direct relationships with on-line retailers including Amazon.com and other third parties to expand its client base. All of the Companies' supplies including wood, metal, cork, ink and paper are purchased within the US. New product lines planned include wallpaper, corkboards, glass and metal printing as well as customizable door panels. In addition, the businesses will create new opportunities for clients to order their manufactured-to-order products such as kiosks at third party site.

Competitors include Dioni Framing, which at its height had nearly 200 employees, however, it recently left New York State and then went out of business and AWC Framing which moved out of NYC to access lower real estate and operating costs. Most, if not all of the Companies' competitors are based outside of New York City.

7. Please provide a brief description of the company history, unique company facts, etc.:

In comparison to its competitors, the Companies offer their clients the ability to customize its products from start to finish. Nearly every option is left to the client to select. With a turn-around time of less than 48 hours per project, the Companies have earned a reputation for expert craftsmanship at competitive prices for a wide array of products. The businesses have stayed on the cutting edge of technology to compete with out-of-state and foreign competitors that utilize low wages and much lower operating costs. Clients accessing and placing custom order on the art to frames website account for approximately 90% of the businesses combined revenues. Art to Frames continues to create new technology platforms with future plans to create custom applications for iPhone and Android devices to allow clients to order their custom wares from their phones. When the Companies' current operations began 2004, they were processing 25-50 orders a day; in November 2012, the Companies were processing between 2,000 orders a day with plans to double within the next few years.

In 2011, the three Companies reported combined revenues of \$3.9m and they currently have 31 full-time employees.

## **Proposed Project Activities**

This page provides a general outline of the NYCIDA/NYCCRC project.

1. Please provide a brief overview of the entire proposed Project. If necessary break down Project activities by tax lot to describe activities at each Project Location.

The Companies are seeking to acquire their current, leased facility at 770 5<sup>th</sup> Avenue a/k/a 770-773 5<sup>th</sup> Avenue a/k/a 227 28<sup>th</sup> Street, Brooklyn, New York 11232. The Company will also purchase a 4-foot by 8-foot industrial printer with the ability to print on wood, metal and glass. The total project cost is approximately \$3.9m, which includes \$3.586m for land and building acquisition, \$140,000 for machinery and equipment purchases and \$214,000 in fees and closing costs.

2. Please provide a brief description of how the proposed Project will affect current operations.

Acquiring the facility will enable the Company to have a stable location that will enable them to continue current operations as well as allow the Company to enter into new markets. The new equipment will create new opportunities and product offerings at competitive prices. With the introduction of new products, expansion into new markets and the greater utilization of the internet, the Companies expect to hire over 20 new, full-time employees in the next few years.

3. Please provide a brief description of renovations/construction of the proposed Project.

No renovations/construction to take place.

4. Please provide a brief timeline for the entire proposed Project.

The Companies anticipate proceeding to the January 2013 NYCIDA Board meeting and closing in the same month.

**Project Financing**

The chart immediately below requires information relating to the sources and uses of funds to be expended for the Project. For purposes of this chart, the amounts provided should be aggregates for all Project Locations.

Sources of Funds (If needed use an additional sheet to indicate all sources and uses)								
Uses of Funds	Bond Proceeds	Commercial Financing Wells Fargo	Commercial Financing (Loan 2)	Affiliate/ Employee Loans	Capital Campaign	Company Funds	Other (Identify):	Total Uses
Land & Building Acquisition		3,227,789				358,841		\$3,586,410
Construction Hard Costs								
Construction Soft Costs								
Fixed Tenant Improvements								
Machinery Furnishings and/or Equipment						140,000		\$140,000
Debt Service Reserve Fund								
Capitalized Interest								
Costs of Issuance								
Fees (explain): SBA Guarantee Fee, IDA financing fee, outside counsel fee and commercial closing costs		192,600				\$21,400		\$214,000
Other (explain)								
<b>Total</b>		<b>\$3,420,389</b>				<b>\$520,041</b>		<b>\$3,940,410</b>

Please list where machinery, equipment and furnishings will be purchased and what percentage of total machinery, equipment, and furnishings relating to the Project this will represent:

- New York City                                      Percentage of Total? 100%
- New York State (excluding NYC)                      Percentage of Total? \_\_\_\_\_
- United States (excluding NYS)                      Percentage of Total? \_\_\_\_\_
- Outside United States                                      Percentage of Total? \_\_\_\_\_
- N/A - There is no equipment planned to be purchased with this project.

**Project Location Detail**

This page and the following 3 pages of this Application (i.e., pages 7 through 10, inclusive) make up the Proposed Project Packet.

Applicant must complete an individual Proposed Project Packet for each Project Location for which Applicant is seeking Project Financial Assistance.

Project Location		Project Location # 1 of 1	
Borough/Block/Lot: Brooklyn; Block 661; Lot 41			
Street address and zip code: 770 5 <sup>th</sup> Avenue a/k/a 770-773 5 <sup>th</sup> Avenue a/k/a 227 28 <sup>th</sup> Street, Brooklyn, New York 11232			
Zoning: M1-1		Number of Floors: 1	
Square footage of Existing Building: 19,600 sq. ft.		Square footage of Land: 21,540 sq. ft.	
Intended use(s) of site (e.g. manufacturing, office, retail, etc.):  Manufacturing and inventory space and some office / administrative space.			
Estimated square footage of Project after construction/ improvement completion: No construction  Building Square Footage: 19,600 sq. ft.  Non-building improvement square footage (if applicable): Not applicable			
Existing subtenant occupied square footage within building (in aggregate and per subtenant):  Not applicable		Remaining length of each sublease:  Not applicable	
Nature of business for each sub-tenant:  Not applicable			

**Anticipated Ownership of Premises**

Please note that for purposes of answering the questions on this page, any reference to an "Affiliate" (as defined on the first page of this Application) should be deemed to mean an Affiliate of Applicant

1. Please check all that apply:

- Applicant or an Affiliate is the fee simple owner of the Project Location.
- Applicant or an Affiliate expects to be the fee simple owner of the Project Location.
- Applicant or an Affiliate leases the project Location.
- Applicant or an Affiliate expects to lease the project realty immediately following the closing.
- None of the above categories fully describe Applicant's interest or intended interest in the Project Location, which may be more accurately described as follows (please provide copies of supporting documentation, as applicable):

2. If Applicant or Affiliates leases or expects to lease the Project Location, choose one of the following

- Lease is for an entire building and property
- Lease is for space within a building.

3. If an Affiliate owns or controls (or will own or control) a Project Location, then describe such Affiliate by choosing one of the following selections and completing the chart provided below:

- General Partnership
- Limited Partnership
- C Corporation
- S Corporation
- Limited Liability Company
- 501(c)(3) Organization
- Natural Person
- Other (specify): \_\_\_\_\_

Name of Affiliate: 770 Frame LLC	EIN # of Affiliate: [REDACTED]
Address of Affiliate: 770 5 <sup>th</sup> Avenue a/k/a 770-773 5 <sup>th</sup> Avenue a/k/a 227 28 <sup>th</sup> Street, Brooklyn, New York 11232	
Affiliation of Affiliate to Applicant: Real Estate Holding Company	
Contact Person: Schneur Minsky	Title of Contact Person: President
Phone Number(s): [REDACTED]	

**Employment Information**

The following information will be used as part of the NYCIDA/ NYCCRC's calculation of the benefit of the project, and as a basis for comparison with the information reported in periodic compliance surveys the Agency conducts throughout the life of the Project.

**Note: for the meanings of all defined terms, see page 1 of this Application.**

A. Commencement of Operations

1. When does Applicant expect to close with NYCIDA/NYCCRC/Build NYC?  
January 2013
2. What will be the Facility Operations Start-Date?  
February 1, 2013

B. Current City-wide and Project Location Employment

1. Currently, how many Full-time Employees do Applicant and Applicant's Affiliates employ throughout New York City as of the last pay period?  
31
2. Currently, how many Part-time Employees do Applicant and Applicant's Affiliates employ throughout New York City as of the last pay period?  
0
3. If the Applicant currently occupies and operates at the Project Location, how many Full-time and Part-time Employees are currently employed at the Project Location? (Indicate "NA" if no Employees are currently employed at the Project Location.)  
Part-time: 0 Full-time: 31

C. Expected City-wide Employment

1. How many Full-time Employees do Applicant and Applicant's Affiliates expect to employ throughout New York City on the Facility Operations Start-Date? 31
2. How many Part-time Employees do Applicant and Applicant's Affiliates expect to employ throughout New York City on the Facility Operations Start-Date? 0

D. Expected Relocation Employment

1. Out of the number of Full-time Employees provided in the answer to C.1, how many are expected to be relocated to the Project Location on or about the Facility Operations Start Date? (Indicate "NA" if all employees at the Project Location will be new hires.)  
31
2. Out of the number of Part-time Employees provided in the answer to C.2, how many are expected to be relocated to the Project Location on or about the Facility Operations Start Date? (Indicate "NA" if all employees at the Project Location will be new hires.)  
0

E. Estimated New-growth Employment

Complete the following chart to indicate the number of new employees that are expected to be hired at the Project Location. Please review the illustrative example (see the sample below the chart) as a guide to completing the chart. **Note: In the chart below, year 1 is the year following the Facility Operations Start-Date; Year 2 is the second year following that date; Year 3 is the third, etc.**

Years following Facility Operations Start Date	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	Total New Growth
Permanent Full-time	10	2	2	2	2	2	2	2	2	2	0	0	0	0	0	28
Permanent Part-time	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Illustration example for employment statistics

C. New Growth Employees

*Scenario: A company with a total employment of 10 permanent full time employees at application has a Projected Start Date of Facility Operations of 5/23/2009. By 5/23/2010 they intend on adding to its workforce 2 employees, which is considered year 1, 0 employees the second year, 4 employees the third year, 2 part time employees the fourth year, and no more additional employees thereafter. There are also no layoffs anticipated.*

Years following Facility Operations Start Date	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	Total New Growth
Full-time Employees	2	0	4	0	0	0	0	0	0	0	0	0	0	0	0	6
Part-time Employees	0	0	0	2	0	0	0	0	0	0	0	0	0	0	0	2

Although this company, after year 4, will have a total of 16 Full-time employees (the 10 original and the 6 New Growth) this chart should only reflect New Growth Employees. The 10 original employees are captured in Section B of the Project Location Information section of the application.



**Wage Information**

The questions in this section apply only to **Permanent Employees** employed or to be employed at the Project Location.

1. If Full-time Employees are to be relocated on the Facility Operations-Start Date, what will be the average quarterly and annual compensation for such relocated Full-time Employees? (Indicate "NA" if no Full-time Employees are being relocated.)  
Quarterly: \$4,968 Annual: \$19,872
2. If Part-time Employees are to be relocated on the Facility Operations-Start Date, what will be the average quarterly and annual compensation for such relocated Part-time Employees? (Indicate "NA" if no Part-time Employees are being relocated.)  
Quarterly: NA Annual: NA
3. With regard to the Part-time Employees and Full-time Employees currently employed at the Project Location and provided in the answer to question B3 on the previous page (9), what is current annual average compensation? (Indicate "NA" if no Employees are currently employed at the Project Location.)  
Part-time: NA Full-time: NA
4. For new Full-time Employees expected to be hired in the first year following the Facility Operations Start-Date, what is the projected average quarterly and annual compensation?  
Quarterly: \$5,400 Annual: \$21,600
5. For new Part-time Employees expected to be hired in the first year following the Facility Operations Start-Date, what is the projected average quarterly and annual compensation?  
Quarterly: NA Annual: NA
6. For all new, Full-time Employees expected to be hired throughout the fifteen-year period following the Facility Operations Start-Date, please complete the following:
  - A. Projected average annual compensation: \$21,600
  - B. Average annual compensation range: Hi: \$25,000 Low: \$18,200
7. For all new, Part-time Employees expected to be hired throughout the fifteen-year period following the Facility Operations Start-Date, please complete the following:
  - A. Projected average annual compensation: NA
  - B. Average annual compensation range: Hi: NA Low: NA
8. Generally describe all other forms of compensation and benefits that Permanent Employee will receive at the Project Location. Examples: health care; employer-contributions for retirement plans; on-the-job training; reimbursement for educational expenses; etc.

The Company provides 5 paid vacation days to all of its employees as well as 3-paid sick days per year. In addition, the Company provides extensive training in manufacturing and wood working.

**Company Background**

This section is meant to capture additional information about the company background.

The Applicant and its Affiliates hereinafter will be referred to as the "Companies" or individually as a "Company." If any of the following questions applies to none of these Companies, answer "NONE"; but, for any question that does apply, be sure to specify to which of the Companies the answer is relevant. When the space provided for an answer is insufficient, provide the answer on a separate sheet of paper and attach that paper to this Questionnaire.

1. List all of the labor union contracts and collective bargaining arrangements to which any of the Companies is currently a party (Note: This answer should match the answer to be supplied on page 14 of the Core Application, Question 10):

Not applicable

2. Have any of the Companies during the current calendar year and the five preceding calendar years experienced labor unrest situations, including pending or threatened labor strikes, hand billing, consumer boycotts, mass demonstrations or other similar incidents?

Yes  No

If Yes, please explain below or on an attached sheet:

3. Have any of the Companies received any federal and/or state unfair labor practices complaints asserted during the current calendar year and the five calendar years preceding the current calendar year?

Yes  No

If Yes, please describe and explain current status of complaints below or on an attached sheet:

4. Do any of the Companies have pending or threatened requests for arbitration, grievance proceedings, labor disputes, strikes or disturbances during the current calendar year and the five calendar years preceding the current calendar year?

Yes  No

If Yes, please explain below or on an attached sheet:

5. Are all employees of the Companies permitted to work in the United States?

Yes  No

If No, please provide details on an attached sheet.

What steps do the Companies take as a matter of course to ascertain their employees' employment status?

Check all relevant information including: NYS issued photo ID, Social Security and I-9 forms.

6. Do the Companies complete and retain all required documentation related to this inquiry, such as Employment Eligibility Verification (I-9) forms?

Yes  No

If No, please explain below or on an attached sheet:

7. Has the United States Department of Labor, the New York State Department of Labor, the New York City Office of the Comptroller or any other local, state or federal department, agency or commission having regulatory or oversight responsibility with respect to workers and/or their working conditions and/or their wages, inspected the premises of any Company or audited the payroll records of any Company during the current calendar year or during the three calendar years preceding the current one?

Yes  No

If the answer to this question is "Yes," briefly describe the nature of the inspection, the inspecting governmental entity and when the inspection occurred. Briefly describe the outcome of the inspection, including any reports that may have been issued and any fines or remedial or other requirements imposed upon the Company or Companies as a consequence: (please use an attached sheet if necessary)

8. Has any of the Companies incurred, or potentially incurred, any liability (including withdrawal liability) with respect to an employee benefit plan, including a pension plan?

Yes  No

If the answer to this question is "Yes," quantify the liability and briefly describe its nature and refer to any governmental entities that have had regulatory contact with the Company in connection with the liability: (please use an attached sheet if necessary)

9. Are the practices of any of the Companies now, or have they been at any time during the current calendar year or the five calendar years preceding the current calendar year, the subject of any complaints, claims, proceedings or litigation arising from alleged discrimination in the hiring, firing, promoting, compensating or general treatment of employees?

Yes  No

If the answer to this is "Yes," provide details below or on an attached sheet. When answering this question, please consider "discrimination" to include sexual harassment.

**When answering the following questions, please note:** "Principal" means the following with respect to the Applicant and/or the SPE: all persons (entities or individuals) that control the Applicant and/or the SPE, and/or own more than 10 percent of either; all executive officers; all directors; and all members and general partners for, respectively, limited liability companies and partnerships.

1. Has Applicant, or any Affiliate or Principal, ever received, or is any such person or entity currently receiving, financial assistance or any other kind of non-discretionary benefit from any local, state or federal governmental entity or agency, or any public authority or public benefit corporation, or any local development corporation?

Yes  No If Yes, please provide details on an attached sheet.

**Please note:** local, state and federal governmental entities or agencies, public authorities or public benefit corporations, and local development corporations, shall be referred to as "Public Entity(ies)."

2. Has Applicant, or any Affiliate or Principal, or any existing or proposed occupant at the Project site, obtained, or is any such person or entity in the process of obtaining, or contemplating obtaining, other assistance from the NYCIDA/ NYCCRC/Build NYC and/or other Public Entities?

Yes  No If Yes, please provide details on an attached sheet.

3. Has Applicant, or any Affiliate or Principal, ever defaulted on a loan or other obligation to a Public Entity?

Yes  No If Yes, please provide details on an attached sheet.

## Core Application- Company Background

4. Has real property in which Applicant, or Affiliate or Principal, holds or has ever held an ownership interest and/or controlling interest of 25 percent or more, now or ever been (i) the subject of foreclosure (including a deed in lieu of foreclosure), or (ii) in arrears with respect to any type of tax, assessment or other imposition?

**Attachment to follow**     Yes     No    If Yes, please provide details on an attached sheet.

5. Does Applicant, or any Affiliate or Principal, have any contingent liabilities not already covered above (e.g., judgment liens, lis pendens, other liens, etc.)? Please include mortgage loans and other loans taken in the ordinary course of business only if in default.

Yes     No    If Yes, please provide details on an attached sheet.

6. Has the Applicant, or any Affiliate or Principal, failed to file any required tax returns as and when required with appropriate governmental authorities?

Yes     No    If Yes, please provide details on an attached sheet.

Please answer the following questions relating to the Applicant (if the space provided below is insufficient, please provide complete information on an attached sheet):

7. List major customers:

Company Name	Address	Contact	Phone	Fax Number	Percent of Revenues
Amazon.com	333 Boren Avenue, Seattle, Washington 98109	██████████	██████████		
Adorama	42 West 18 <sup>th</sup> Street, New York, New York 10011	██████████	██████████	██████████	
Port Authority	241 Erie Street, Jersey City, New Jersey 07310	██████████	██████████	██████████	
Sotheby's	1334 York Avenue, New York, New York 10021	██████████	██████████	██████████	

8. List major suppliers:

Company Name	Address	Contact	Phone	Fax Number
Neilson Bainbridge	40 Eisenhower Drive #202, Paramus, New Jersey 07652	██████████	██████████	██████████
Décor Moulding	300 Wireless Blvd, Hauppauge, New York 11788	██████████	██████████	██████████
Nickell Molding	3015 Mobile Drive, PO Box 1502, Elkhart, Indiana 46515	██████████	██████████	██████████
President Container	200 West Commercial Avenue, Moonachie, New Jersey 07074	██████████	██████████	██████████

9. List major Funding sources (if applicable):

Company Name	Address	Contact	Phone	Fax Number

10. List unions (if applicable): Not applicable

Union Name	Address	Contact	Phone	Fax Number

11. List banks:

Bank Name	Address	Contact	Phone	Account Type and Number
Chase	127 7 <sup>th</sup> Avenue, Brooklyn, New York 11215	[REDACTED]	[REDACTED]	[REDACTED]
Valley National Bank	4501 13 <sup>th</sup> Ave, Brooklyn, New York 11219	[REDACTED]	[REDACTED]	[REDACTED]

12. List licensing authorities, if applicable: Not applicable

Company Name	Address	Contact	Phone	Fax Number

**Certification**

I, the undersigned officer/member/partner of Applicant, on behalf of Applicant, hereby request, represent, certify, understand, acknowledge and agree as follows:

I request that this Application, together with all materials and data submitted in support of this Application (collectively, these "Application Materials"), be submitted for review to the Issuers' Boards, in order to obtain from the Boards an expression of intent to provide the benefits requested herein for the Project. I understand that this expression of Intent will take the form of an Inducement resolution to be adopted by the appropriate Boards.

I represent that I have the authority to sign these Application Materials on behalf of, and to bind, Applicant.

I certify to the best of my knowledge and belief, after due investigation, the information contained in these Application Materials is accurate, true and correct and does not contain a misstatement of a material fact or omit to state a material fact necessary to make the statements contained herein not misleading. I understand that an intentional misstatement of fact, or, whether intentional or not, a material misstatement of fact, or the providing of materially misleading information, or the omission of a material fact, may cause the Issuers' Boards to reject the request made in the Application Materials. I understand that the issuer will rely on the information contained within these Application Materials in producing and publishing a public notice and convening a public hearing. If any information in these Application Materials is found to be incorrect, the Applicant may have to provide new information and a new public notice and public hearing may be required. If a new public notice and public hearing is required, they will be at the Applicant's expense.

I understand the following: that Applicant and Principals will be subject to a background check and actual or proposed subtenants may be subject to a background check; that the Issuers may be required under SEQR to make a determination as to the Project's environmental impact and that in the event the Issuers determine that the Project will have an environmental impact, Applicant will be required to prepare, at its own expense, an environmental impact statement; that the decision of the Board to approve or to reject the request made in the Application Materials is a discretionary decision; that no Bonds may be issued (if Bonds are being requested) unless such Bonds are approved by the Mayor; that under the New York State Freedom of Information Law ("FOIL"), the NYCIDA, NYCCRC/Build NYC may be required to disclose the Application Materials and the information contained therein (see Disclosure Policy and Procedure); and that Applicant shall be entirely responsible and liable for the fees referred to in these Application Materials, including (in the case of Bonds) but not limited to payment of the New York State bond issuance fees (if applicable to the Bonds in question) based upon the aggregate principal amount of the Bonds.

I further understand and agree as follows:

That in the event the Application Materials are not submitted to the Issuers' Boards for any reason including negative results obtained through the background check, that submission of this application provides consent to NYCIDA, NYCCRC, Build NYC, and NYCEDC to verify and investigate information provided, particularly business relationships with customers, suppliers, unions, banks and licensing authorities; and/or, with respect to Application Materials that are submitted to the Issuers' Boards, in the event the NYCIDA, NYCCRC or Build NYC Board rejects same, then, under either of said circumstances, Applicant shall have no recourse against the NYCIDA, NYCCRC, Build NYC or any other public or governmental entity or public benefit corporation (including NYCEDC), or any directors, officers, employees or agents of the foregoing (collectively, the "Public Participants"), for the Application Fee, or for other expenses incurred by Applicant or other parties on behalf thereof, or for damages or specific performance; and that the Application Fee is under all circumstances (including but not limited to the ones just described and the ones described in the next succeeding paragraph) non-refundable; and

That if the Issuers' Boards adopt an inducement resolution with respect to the request made in the Application Materials, such adoption shall not be deemed a guaranty that the Boards will adopt an authorizing resolution; or that the Issuers will then provide the induced benefits; and

That, with respect to the request made in the Application Materials, if the Board adopts an inducement resolution, such action shall not be a guaranty that the Board will adopt an authorizing resolution; or if the Board adopts an authorizing resolution or a combined inducement-authorizing resolution, such action shall not be a guaranty that a Closing will occur or that the NYCIDA/NYCCRC/Build NYC will provide to the Applicant the benefits that the Applicant has requested in its Application Materials or any benefits induced or authorized by the Board; and

That in the event the Issuers disclose the Application Materials in response to a request made pursuant to FOIL, Applicant hereby authorizes the Issuers to make such disclosure and hereby releases the Issuers from any claim or action that Applicant may have or might bring against the Issuers, their directors, officers, agents, employees and attorneys, by reason of such disclosure; and that Applicant agrees to defend, indemnify and hold the NYCIDA, NYCCRC, Build NYC and, if applicable, the NYCEDC and their respective directors, officers, agents, employees and attorneys harmless (including without limitation for the cost of reasonable attorneys fees) against claims arising out of such disclosure as such claims may be made by any party including the Applicant, Affiliates, Owner or Principal, or by the officers, directors, employees and agents thereof.

I acknowledge and agree that the Issuers reserve the right in their sole and absolute discretion to request additional information, waive any requirements set forth herein, and/or amend the form of this Application, to the full extent permitted by applicable law.

Requested, Represented, Certified, Acknowledged, Understood and Agreed by Applicant,

This 19 day of Nov 2012.

Name of Applicant: Art to Frames Inc., Picture frames Corp., and Moulding USA Corp Yale Picture Fram

By: Signer: Schneur Minsky

Title of Signer: President

Signature: [Handwritten Signature]

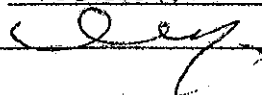
I certify that, using due care, I know of no misstatement of material fact in these Application Materials and know of no material fact required to be stated in these Application Materials to make the statements made therein not misleading.

Certified by Preparer,

This 19. day of NOV, 2012.

Name of

Preparer:

By: Printed Name of Schneur Minsky  
Signer: Schneur Minsky  
Title of Signer: President  
Signature: 







4. Of the space allocated to storage or warehousing above, identify the square footage and location of the areas devoted to the following:

Function	Location	Square Footage
Raw materials used for production of manufacturing goods		
Finished product storage		
Component parts of goods manufactured at the facility		
Purchased component parts		
Other (specify)		
Other (specify)		
Other (specify)		
<b>Total Square Footage</b>		

5. List raw materials used in the processing of the finished product(s) at the facility to be financed:

6. List finished product(s) that are produced at the facility to be financed:

**Certification**

THE UNDERSIGNED HEREBY CERTIFIES that the answers and information provided above, and in any statement attached hereto, are true and correct.

Name Applicant: of Art to Frames, Y Picture Frames, Yale Picture Frame & Moulding US

By: Printed Name of Signer: Schneur Minsky

Title of Signer: President

Signature: 

Date: Nov. 19, 2012

Anti-Raiding Questionnaire

- 1. Will the completion of the Project result in the removal of a plant or facility of Applicant, or the removal of a plant or facility of any person or entity that is proposed to occupy the Project facility? (For the purposes of this question, "removal" shall mean removal from an area in New York State (but outside of New York City) to an area within New York City)
  - Yes
  - No

If "Yes," please provide the following information:  
 Address of the to-be-removed plant(s) or facility(ies):

Names of the to-be-removed person(s) or entity(ies), including the Applicant itself, if applicable.

- 2. Will the completion of the Project result in the abandonment of one or more plants or facilities of the Applicant, or of any proposed occupant of the Project, located in an area of New York State other than New York City?  Yes  No

If "Yes," please provide the following information:  
 Addressee of the to-be-abandoned plant(s) or facility(ies):

Names of all current occupants of the to-be-abandoned plant(s) or facility(ies):

- 3. Will the completion of the Project in any way cause the removal and/or abandonment of plants and facilities anywhere in New York State (but outside of New York City)?
  - Yes
  - No

If "Yes," please provide all information relevant to such future removal and/or abandonment:

If the answer to either question 1, 2 or 3 is "Yes," please continue and answer questions 4 and 5.

- 4. Is the Project reasonably necessary to preserve the competitive position of this Applicant, or of any proposed occupants of the Project, in its industry?
  - Yes
  - No
- 5. Is the Project reasonably necessary to discourage the Applicant, or any proposed occupant of the Project, from removing such plant or facility to a location outside New York State?
  - Yes
  - No

If the answer to question 4 and/or question 5 is "Yes," please provide on a detailed explanation on a separate sheet of paper.

**Certification**

THE UNDERSIGNED HEREBY CERTIFIES that the answers and information provided above, and in any statement attached hereto, are true and correct.

Name of Applicant: Art-to Frames, Y Picture Frames, Yale Picture Frame & Moulding USA  
 By: Printed Name of Signer: Schneur Minsky  
 Title of Signer: President  
 Signature: [Handwritten Signature]  
 Date: Nov. 19, 2012

# Retail Questionnaire

1. Will any portion of the Project consist of facilities or property that are or will be primarily used in making retail sales of goods to customers who personally visit the Project?  Yes  No
2. If the answer to question 1 is "Yes," will the Applicant or any other Project occupant be 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)?  Yes  No
3. Will any portion of the Project consist of facilities or property that are or will be primarily used in making retail sales of services to customers who personally visit the Project?  Yes  No
4. If the answer to question 1 or question 3 is "Yes," what percentage of the cost of the Project will be expended on such facilities or property primarily used in making retail sales of goods or services to customers who personally visit the Project? \_\_\_\_\_%
5. If the answer to question 1 or question 3 is "Yes," and the answer to question #4 is more than 33.33%, indicate whether any of the following apply to the Project:
  - a. Will a not-for-profit corporation operate the Project?  
 Yes  No
  - b. Is the Project likely to attract a significant number of visitors from outside New York City?  
 Yes  No
  - c. Would the Applicant, but for the contemplated financial assistance from the NYCIDA, locate the related jobs outside New York State?  
 Yes  No
  - d. Is the predominant purpose of the Project to make available goods or services that would not, but for the Project, be reasonably accessible to New York City residents because of a lack of reasonably accessible retail trade facilities offering such goods or services?  
 Yes  No
  - e. Will the Project be located in one of the following: (a) an area designated as an economic development zone pursuant to Article 18-B of the General Municipal Law; or (b) a census tract or block numbering area (or census tract or block numbering area contiguous thereto) that, according to the most recent census data, has (i) a poverty rate of at least 20% for the year to which the data relates, or at least 20% of its households receiving public assistance, and (ii) an unemployment rate of at least 1.25 times the statewide unemployment rate for the year to which the data relates?  Yes  No
6. If the answers to any of subdivisions (c) through (e) of question 5 are "Yes," will the Project preserve permanent, private sector jobs or increase the overall number of permanent, private sector jobs in New York State?  Yes  No  
If "Yes," please furnish details in a separate attachment.
7. If the answers to any of subdivisions (a) through (e) of question #5 are "Yes," please furnish details in a separate attachment.

## Certification

THE UNDERSIGNED HEREBY CERTIFIES that the answers and information provided above, and in any statement attached hereto, are true and correct.

Name  
Applicant:

of Art to Frames, Y Picture Frames & Moulding USA Corp. Yale Picture Frames

By:

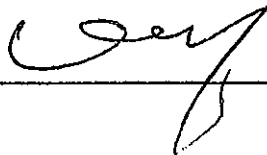
Printed Name of Signer:

Schneur Minsky

Title of Signer:

President

Signature:



Date:

Nov. 19, 2012

**PART 1--PROJECT INFORMATION**  
**Prepared by Project Sponsor**

NOTICE: This document is designed to assist in determining whether the action proposed may have a significant effect on the environment. Please complete the entire form, Parts A through E. Answers to these questions will be considered as part of the application for approval and may be subject to further verification and public review. Provide any additional information you believe will be needed to complete Parts 2 and 3.

It is expected that completion of the full EAF will be dependent on information currently available and will not involve new studies, research or investigation. If information requiring such additional work is unavailable, so indicate and specify each instance.

Name of Action Acquisition and equipping

Location of Action (include Street Address, Municipality and County)

Name of Applicant/Sponsor Art to Frames Inc., Y Picture Frames Corp. and Yale Picture Frame & Moulding USA Corp.

Address 770 5th Avenue a/k/a 770-773 5th Avenue a/k/a 227 28th Street

City / PO Brooklyn, State New York Zip Code 11232

Business Telephone [REDACTED]

Name of Owner (if different) \_\_\_\_\_

Address \_\_\_\_\_

City / PO \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

Business Telephone \_\_\_\_\_

Description of Action:

Acquisition and equipping of an approximately 19,600 sq. ft. industrial facility on a 21,540 sq. ft. parcel of land in Brooklyn to be used for the manufacturing and distribution of picture frames and related products.

Please Complete Each Question--Indicate N.A. if not applicable

**A. SITE DESCRIPTION**

Physical setting of overall project, both developed and undeveloped areas.

1. Present Land Use:  Urban  Industrial  Commercial  Residential (suburban)  Rural (non-farm)  
 Forest  Agriculture  Other \_\_\_\_\_

2. Total acreage of project area: 21,540 sq. ft ~~acres~~

APPROXIMATE ACREAGE	PRESENTLY	AFTER COMPLETION
Meadow or Brushland (Non-agricultural)	_____ acres	_____ acres
Forested	_____ acres	_____ acres
Agricultural (Includes orchards, cropland, pasture, etc.)	_____ acres	_____ acres
Wetland (Freshwater or tidal as per Articles 24,25 of ECL)	_____ acres	_____ acres
Water Surface Area	_____ acres	_____ acres
Unvegetated (Rock, earth or fill)	_____ acres	_____ acres
Roads, buildings and other paved surfaces	<u>Building- 19,600 sq. ft</u> _____ acres	<u>Building- 19,600 sq. ft</u> _____ acres
Other (Indicate type) _____	_____ acres	_____ acres

3. What is predominant soil type(s) on project site? \_\_\_\_\_

- a. Soil drainage:  Well drained \_\_\_\_\_% of site  Moderately well drained \_\_\_\_\_% of site.  
 Poorly drained \_\_\_\_\_% of site

b. If any agricultural land is involved, how many acres of soil are classified within soil group 1 through 4 of the NYS Land Classification System? \_\_\_\_\_ acres (see 1 NYCRR 370).

4. Are there bedrock outcroppings on project site?  Yes  No

a. What is depth to bedrock \_\_\_\_\_ (in feet)

5. Approximate percentage of proposed project site with slopes:

- 0-10% \_\_\_\_\_%  10-15% \_\_\_\_\_%  15% or greater \_\_\_\_\_%

6. Is project substantially contiguous to, or contain a building, site, or district, listed on the State or National Registers of Historic Places?  Yes  No

7. Is project substantially contiguous to a site listed on the Register of National Natural Landmarks?  Yes  No

8. What is the depth of the water table? \_\_\_\_\_ (in feet) Not Applicable

9. Is site located over a primary, principal, or sole source aquifer?  Yes  No

10. Do hunting, fishing or shell fishing opportunities presently exist in the project area?  Yes  No

11. Does project site contain any species of plant or animal life that is identified as threatened or endangered?  Yes  No

According to:

Identify each species:

12. Are there any unique or unusual land forms on the project site? (i.e., cliffs, dunes, other geological formations?)

Yes  No

Describe:

13. Is the project site presently used by the community or neighborhood as an open space or recreation area?

Yes  No

If yes, explain:

14. Does the present site include scenic views known to be important to the community?  Yes  No

15. Streams within or contiguous to project area:

Not applicable

a. Name of Stream and name of River to which it is tributary

16. Lakes, ponds, wetland areas within or contiguous to project area:

Not applicable

b. Size (In acres):

17. Is the site served by existing public utilities?  Yes  No
- a. If YES, does sufficient capacity exist to allow connection?  Yes  No
- b. If YES, will improvements be necessary to allow connection?  Yes  No
18. Is the site located in an agricultural district certified pursuant to Agriculture and Markets Law, Article 25-AA, Section 303 and 304?  Yes  No
19. Is the site located in or substantially contiguous to a Critical Environmental Area designated pursuant to Article 8 of the ECL, and 6 NYCRR 617?  Yes  No
20. Has the site ever been used for the disposal of solid or hazardous wastes?  Yes  No

**B. Project Description**

1. Physical dimensions and scale of project (fill in dimensions as appropriate).
- a. Total contiguous acreage owned or controlled by project sponsor: 0.4 acres.
- b. Project acreage to be developed: NA acres initially; NA acres ultimately.
- c. Project acreage to remain undeveloped: NA acres.
- d. Length of project, in miles: NA (if appropriate)
- e. If the project is an expansion, indicate percent of expansion proposed. NA %
- f. Number of off-street parking spaces existing 15; proposed 0
- g. Maximum vehicular trips generated per hour: \_\_\_\_\_ (upon completion of project)?
- h. If residential: Number and type of housing units: 12 trips: 7am-9am; 3pm-5pm. Employees utilize the R-train + local buses.
- |            | One Family | Two Family | Multiple Family | Condominium |
|------------|------------|------------|-----------------|-------------|
| Initially  | _____      | _____      | _____           | _____       |
| Ultimately | _____      | _____      | _____           | _____       |
- i. Dimensions (in feet) of largest proposed structure: \_\_\_\_\_ height; \_\_\_\_\_ width; \_\_\_\_\_ length.
- j. Linear feet of frontage along a public thoroughfare project will occupy is? \_\_\_\_\_ ft.
2. How much natural material (i.e. rock, earth, etc.) will be removed from the site? NA tons/cubic yards.
3. Will disturbed areas be reclaimed  Yes  No  N/A
- a. If yes, for what intended purpose is the site being reclaimed?
- 
- b. Will topsoil be stockpiled for reclamation?  Yes  No
- c. Will upper subsoil be stockpiled for reclamation?  Yes  No
4. How many acres of vegetation (trees, shrubs, ground covers) will be removed from site? NA acres.

5. Will any mature forest (over 100 years old) or other locally-important vegetation be removed by this project?

Yes  No

6. If single phase project: Anticipated period of construction: NA months, (including demolition)

7. If multi-phased:

a. Total number of phases anticipated NA (number)

b. Anticipated date of commencement phase 1: \_\_\_\_\_ month \_\_\_\_\_ year, (including demolition)

c. Approximate completion date of final phase: \_\_\_\_\_ month \_\_\_\_\_ year.

d. Is phase 1 functionally dependent on subsequent phases?  Yes  No

8. Will blasting occur during construction?  Yes  No

9. Number of jobs generated: during construction NA; after project is complete NA

10. Number of jobs eliminated by this project \_\_\_\_\_.

11. Will project require relocation of any projects or facilities?  Yes  No

If yes, explain:

12. Is surface liquid waste disposal involved?  Yes  No

a. If yes, indicate type of waste (sewage, industrial, etc) and amount \_\_\_\_\_

b. Name of water body into which effluent will be discharged \_\_\_\_\_

13. Is subsurface liquid waste disposal involved?  Yes  No Type \_\_\_\_\_

14. Will surface area of an existing water body increase or decrease by proposal?  Yes  No

If yes, explain:

15. Is project or any portion of project located in a 100 year flood plain?  Yes  No

16. Will the project generate solid waste?  Yes  No

a. If yes, what is the amount per month? 4 containers a month

b. If yes, will an existing solid waste facility be used?  Yes  No

c. If yes, give name Lomangino Brothers; location 1321 61 Street, Bk, NY 11219

d. Will any wastes not go into a sewage disposal system or into a sanitary landfill?  Yes  No



e. If yes, explain:

17. Will the project involve the disposal of solid waste?  Yes  No

a. If yes, what is the anticipated rate of disposal? \_\_\_\_\_ tons/month.

b. If yes, what is the anticipated site life? \_\_\_\_\_ years.

18. Will project use herbicides or pesticides?  Yes  No

19. Will project routinely produce odors (more than one hour per day)?  Yes  No

20. Will project produce operating noise exceeding the local ambient noise levels?  Yes  No

21. Will project result in an increase in energy use?  Yes  No

If yes, indicate type(s)

22. If water supply is from wells, indicate pumping capacity NA gallons/minute.

23. Total anticipated water usage per day \_\_\_\_\_ gallons/day. *Normal usage → water is not used in the business*

24. Does project involve Local, State or Federal funding?  Yes  No

If yes, explain:

**25. Approvals Required:**

			Type	Submittal Date
City, Town, Village Board	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	_____	_____
			_____	_____
City, Town, Village Planning Board	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	_____	_____
			_____	_____
City, Town Zoning Board	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	_____	_____
			_____	_____
City, County Health Department	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	_____	_____
			_____	_____
Other Local Agencies	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	_____	_____
			_____	_____
Other Regional Agencies	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	_____	_____
			_____	_____
State Agencies	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	NYCIDA	Nov. 19, 2012
			_____	_____
Federal Agencies	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	_____	_____
			_____	_____

**C. Zoning and Planning Information**

1. Does proposed action involve a planning or zoning decision?  Yes  No

If Yes, indicate decision required:

- |   |   |  |                                      |
|---|---|--|--------------------------------------|
| <input type="checkbox"/> Zoning amendment | <input type="checkbox"/> Zoning variance    | <input type="checkbox"/> New/revision of master plan | <input type="checkbox"/> Subdivision |
| <input type="checkbox"/> Site plan        | <input type="checkbox"/> Special use permit | <input type="checkbox"/> Resource management plan    | <input type="checkbox"/> Other       |

2. What is the zoning classification(s) of the site?

M1-1

3. What is the maximum potential development of the site if developed as permitted by the present zoning?

Zoning such as M1-1

4. What is the proposed zoning of the site?

M1-1

5. What is the maximum potential development of the site if developed as permitted by the proposed zoning?

Zoning such as M1-1

6. Is the proposed action consistent with the recommended uses in adopted local land use plans?

Yes

No

7. What are the predominant land use(s) and zoning classifications within a ¼ mile radius of proposed action?

M1-1 Zoning

8. Is the proposed action compatible with adjoining/surrounding land uses with a ¼ mile?

Yes

No

9. If the proposed action is the subdivision of land, how many lots are proposed? Not applicable

a. What is the minimum lot size proposed? \_\_\_\_\_

10. Will proposed action require any authorization(s) for the formation of sewer or water districts?  Yes  No

11. Will the proposed action create a demand for any community provided services (recreation, education, police, fire protection)?

Yes  No

a. If yes, is existing capacity sufficient to handle projected demand?  Yes  No

12. Will the proposed action result in the generation of traffic significantly above present levels?  Yes  No

a. If yes, is the existing road network adequate to handle the additional traffic.  Yes  No

D. Informational Details

Attach any additional information as may be needed to clarify your project. If there are or may be any adverse impacts associated with your proposal, please discuss such impacts and the measures which you propose to mitigate or avoid them.

E. Verification

I certify that the information provided above is true to the best of my knowledge.

Applicant/Sponsor Name Art to Frames Inc, Y Picture Frames Corp. & Yale Picture Frame & Moulding USA Corp. Date Nov. 19, 2012

Signature 

Title President

If the action is in the Coastal Area, and you are a state agency, complete the Coastal Assessment Form before proceeding with this assessment.