

NYCIDA PROJECT COST/BENEFIT ANALYSIS

September 12, 2013

APPLICANT

E. Gluck Corporation
29-10 Thomson Avenue
Long Island City, NY 11101

PROJECT LOCATION

60-15 Little Neck Parkway
Little Neck, NY 11362

A. Project Description:

Straight-lease (Industrial Incentive Program) transaction for the benefit of E. Gluck Corporation and through the property owner Steel Tribune, LLC. E. Gluck Corporation is a company that designs, packages, warehouses and distributes watches, in connection with the lease, renovation, and furnishing and/or equipping of an approximately 154,000 square foot building and construction of an additional 81,000 square feet for a resulting building of 235,000 square feet on an approximately 275,904 square foot parcel of land.

Total Project costs are estimated to be \$21.505 million with \$11.15 million for construction hard costs, \$625,000 for soft costs, and \$9.73 million for machinery, furnishing and equipment.

This is an operating company that will relocate 348.5 full-time employees to the Project site and add an additional 45 employees within three years for a total of 393.5 employees.

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

Land Tax Abatement (NPV, 25 years):	\$ 2,094,060
Building Tax Exemption (NPV, 25 years):	10,282,586
Sales Tax Exemption:	437,850
Total Cost to NYC	\$ 12,814,496

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

\$ 65,353,980



New York City
Industrial Development Agency



BENEFITS APPLICATION

Applicant Name: E. Gluck Corporation	
Name of operating company (if different from Applicant): N/A	
Operating Company Address: 29-10 Thomson Avenue, Long Island City, NY 11101	
Website Address: http://www.egluck.com	
EIN #: [REDACTED]	NAICS Code: 334519 Watches and parts (except crystals) manufacturing
State and date of incorporation or formation: NY - 8/30/1977	Qualified to conduct business in NY? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Applicant is (check one of the following, as applicable):	
<input type="checkbox"/> General Partnership	<input type="checkbox"/> Limited Partnership
<input type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Natural Person
<input checked="" type="checkbox"/> C Corporation	<input type="checkbox"/> S Corporation
<input type="checkbox"/> 501(c)(3) Organization	<input type="checkbox"/> Other: _____
Are any securities of Applicant publicly traded? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

Applicable Program (check all that apply)

Please note the following: When Build NYC is the entity providing Financial Assistance, the Project Financial Assistance may be limited to deferral from mortgage recording taxes and tax-exempt conduit bond financing.

Bond Programs	Incentive Programs
<input type="checkbox"/> Manufacturing Facilities Bonds (Please complete Manufacturing Questionnaire under Supplementary Forms)	<input checked="" type="checkbox"/> Industrial Incentive (IIP)
<input type="checkbox"/> Not-For-Profit Bonds	<input type="checkbox"/> Industrial Developer
<input type="checkbox"/> Exempt Facilities Bonds	<input type="checkbox"/> Commercial Growth

Applicant Contact Information

	Name/Title	Company	Address	Email	Phone
Applicant Contact Person	Murray Stimler, VP of Operations	E. Gluck Corporation	29-10 Thomson Avenue, Long Island City, NY 11101	[REDACTED]	[REDACTED]
Attorney	Steven Polvy	Akerman Senterfitt LLP	866 Fifth Avenue, 20 th Floor, New York, NY 10103	[REDACTED]	[REDACTED]
Accountant	Irwin Adelsberg	S. Adelsberg & Co.	280 Northern Boulevard, Great Neck, NY 11021	[REDACTED]	[REDACTED]
Consultant/Other	Beth Zafonte	Akerman Senterfitt LLP	866 Fifth Avenue, 20 th Floor, New York, NY 10103	[REDACTED]	[REDACTED]

Background

Please provide a brief description of the company history and nature of the business, including a description of the industry, competitors, services offered on a separate sheet.

Proposed Project Activities

Please provide answers to the following four questions on a separate page.

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

E. Gluck must relocate its operations to a new facility no later than May 2014. E. Gluck has identified an appropriate building at 60-15 Little Neck Parkway in Little Neck, Queens. This building needs extensive refurbishment and modernization as well as expansion in order to fully satisfy the company's needs. The new facility (currently 154,000 sf) will be expanded to approximately 235,000 sf, and current zoning allows for an additional 115,000 sf expansion in the future, if needed.

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

Because E. Gluck has been entirely forced out of its current space, E. Gluck must move its entire current workforce and manufacturing operations to the Little Neck site by May 2014. E. Gluck's customer service and fast inventory turnover does not allow for E. Gluck to temporarily shut down its operations to accommodate a move. Accordingly, E. Gluck is forced to purchase new equipment to duplicate its operations at its current facility before the move so that the company does not lose time and revenues in a drawn-out move. The purchase of replacement equipment will allow E. Gluck to modernize its operations and increase efficiencies.

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

The Little Neck building is currently approximately 154,900 sf. Approximately 62,220 s.f. will be added to the floor plate of the building, while approximately 17,100 s.f. will be added to the existing second floor. When completed, the building will be approximately 235,000 s.f. Approximately 40,000 sf will be used for office space. The remaining 195,000 sf will be used for production, receiving/distributing and shipping of watchea. The build-out will require new heating/cooling, automated distribution & sorting systems, technology infrastructure and FFE. The automated distribution and sorting systems and technology infrastructure will have to be duplicates of those used at the company's current facility in Long Island City in order to allow the company to provide continuous service to its customers.

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

E. Gluck is forced to move out of its current facility no later than May 2014 by its landlord, CUNY. E. Gluck anticipates it will take two months prior to relocation to duplicate its manufacturing and distribution facilities at its new facility to allow for testing and making any necessary adjustments. All construction, renovation and equipment purchases must be complete by May 2014 so that E. Gluck can relocate seamlessly.

E. Gluck Background and Competitors

Core Application (Page 2)

Background:

E. Gluck was established in New York City in 1956, and it has grown into a leader in the watch industry. The company designs timepieces, manufactures the components in Asia and then returns the components to the New York facility for final assembly, packaging and distribution. The company has found success by marketing to mass markets such as Walmart, mid-tier stores such as JCPenney's, Kohl's, Macy's and Sears, as well as some higher-end department stores, such as Bloomingdale's and Nordstrom's. Over the past decade, the company has expanded its offerings to "branded" watches for designer fashion accessory lines. Retail prices on their watches range from \$19.99 up to \$800. By creating a large range of affordable and top-quality watches, the company is able to sell multiple watches to any one consumer.

Major competitors include Seiko, Casio, Citizen, Fossil and Timex.

Core Application - Project Information

Project Financing

Amounts provided should be aggregates for all Project Locations.

Uses of Funds	Sources of Funds (If needed use an additional sheet to indicate all sources and uses)								Total Uses
	Bond Proceeds	Commercial Financing (Loan 1)	Commercial Financing (Loan 2)	Affiliate/ Employee Loans	Capital Campaign	ESD Grant Funds	Company Funds	Other (Identify) LANDLORD	
Land & Building Acquisition									
Construction Hard Costs								11,150,000	11,150,000
Construction Soft Costs								625,000	625,000
Fixed Tenant Improvements									
Machinery Furnishings and/or Equipment						2,000,000	7,730,000		9,730,000
Debt Service Reserve Fund									
Capitalized Interest									
Costs of Issuance									
Fees (explain):									
Other (explain) Moving Costs / Contingency									
Total Sources						2,000,000	7,730,000	11,775,000	21,505,000

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:

<input type="checkbox"/> New York City	% of Total? <u>40</u>
<input type="checkbox"/> New York State (excluding NYC)	% of Total? <u>20</u>
<input type="checkbox"/> United States (excluding NYS & NYC)	% of Total? <u>40</u>
<input type="checkbox"/> Outside United States	% of Total? <u>0</u>
<input type="checkbox"/> N/A - No equipment is planned to be purchased for this Project	

Project Location Detail

Project Location		Project Location # 1 of 1	
Borough/Block/Lot: Queens/8393/1		Street address and zip code: 60-15 Little Neck Parkway, 11362	
Zoning: M1-1		Number of Floors: 2	
Square footage of existing building: 154,000 sf		Square footage of land: 275,904	
Anticipated square footage of building following construction and/or renovation: 235,000 sf		Anticipated square footage of non-building improvements following construction and/or renovation (i.e., parking lot construction): N/A	
Intended use(s) of site (check <u>all</u> that apply): <input type="checkbox"/> Retail <input checked="" type="checkbox"/> Manufacturing/Industrial <input checked="" type="checkbox"/> Office <input type="checkbox"/> Non-profit For ALL USES other than Non-profit or Retail, please also complete Energy Questionnaire			
Is there any improved space which is currently occupied by existing subtenant(s) (whether Affiliates or otherwise)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Will any improved space be occupied by subtenant(s) (whether Affiliates or otherwise)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
If yes to either, please attach a separate page and provide details such as (1) name of subtenant business(es) (whether Affiliates or otherwise), (2) square footage of subtenant operations, (3) subtenant lease commencement and termination dates, and (4) copies of leases.			

Anticipated Ownership of Premises

1. Please check all that apply:

<input type="checkbox"/> Applicant or an Affiliate is or expects to be the fee simple owner of the Project Location	(Projected) Acquisition date:
<input checked="" type="checkbox"/> Applicant or an Affiliate leases or expects to lease the Project Location	8/17/2013
If you checked the box above, please select one of the following: <input checked="" type="checkbox"/> Lease is for an entire building and property <input type="checkbox"/> Lease is for a portion of the building and/or property.	
<input type="checkbox"/> None of the above categories fully describe Applicant's interest or intended interest in the Project Location, which may be more accurately described in a supplementary document (attached).	

2. 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:

- | | | |
|--|--|---|
| <input type="checkbox"/> General Partnership | <input type="checkbox"/> Limited Partnership | <input type="checkbox"/> C Corporation |
| <input type="checkbox"/> S Corporation | <input type="checkbox"/> Limited Liability Company | <input type="checkbox"/> 501(c)(3) Organization |
| <input type="checkbox"/> Natural Person | <input type="checkbox"/> Other (specify): _____ | |

Name of Affiliate: N/A	EIN # of Affiliate:
Address of Affiliate:	
Affiliation of Affiliate to Applicant:	
Contact Person:	Title of Contact Person:
Phone Number(s):	

Employment Information

The following information will be used as part of the NYCIDA's calculation of the benefit of the project, and as a basis for the comparison with the employment information that the Applicant will be required to report on an annual basis for the term of the Agreement.

- Anticipated Facility Operations Start-Date: May 2014
- Number of Employees Applicant employed throughout New York City as of the last pay period:
Part-time (working between 17.5 and 35 hours per week): Full-time (working 35 or more hours per week):
- If Applicant currently occupies and operates at the Project Location, how many Full- and Part-time Employees are employed at Project Location?
Part-time (working between 17.5 and 35 hours per week): Full-time (working 35 or more hours per week):
- Number of Employees Applicant expect to employ throughout New York City on the Facility Operations Start-Date:
Part-time (working between 17.5 and 35 hours per week): Full-time (working 35 or more hours per week):

How many of these employees are expected to be relocated to the Project Location on or about the Facility Operations Start Date?
Part-time (working between 17.5 and 35 hours per week): Full-time (working 35 or more hours per week):

- 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 in each year.
Note: 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	Total New Growth
Permanent Full-time	15	15	15	16	19	0	0	80
Permanent Part-time	0	0	0	0	0	0	0	0

Wage Information

The questions in this section apply only to Permanent Employees employed or to be employed at the Project Location, and this information should not include compensation paid to Principals. Please note this information is required to be provided to the Agency on an annual basis.

- If employees are to be relocated on the Facility Operations-Start Date, what will be the average annual compensation per relocated employee?
Part-time: \$16,357 Full-time: \$45,337
- With regard to the employees currently employed at the Project Location, what is the current average annual compensation per employee?
Part-time: N/A Full-time: \$N/A
- For new employees expected to be hired in the first year following the Facility Operations Start-Date, what is the projected average annual compensation per employee?
Part-time: \$16,357 Full-time: \$45,337
- For all new employees (again, excluding Principals) expected to be hired during the three-year period following the Facility Operations Start-Date, please project the following:

Part-Time

Average annual compensation per employee: \$ 16,357
Annual salary of highest compensated part-time employee: \$33,109
Annual salary of lowest compensated part-time employee: \$7,301

Full-Time

Average annual compensation per employee: \$45,337
Annual salary of highest compensated full-time employee: \$521,666
Annual salary of lowest compensated full-time employee: \$13,655

- Generally describe all other forms of compensation and benefits that Permanent Employees will receive. Examples: healthcare, employer-contributions for retirement plans, on-the-job training, reimbursement for educational expenses, etc.

Health Benefits

Labor

The Applicant and its Affiliates hereinafter will be referred to collectively as the "Companies" or individually as a "Company." If none of the following questions apply to any of these Companies, answer "NO"; but, for any question that does apply, be sure to specify to which of the Companies the answer is relevant.

1. Have any of the Companies during the current calendar year or any of the five preceding calendar years experienced labor unrest situations, including actual or threatened labor strikes, hand billing, consumer boycotts, mass demonstrations or other similar incidents?
 Yes No If Yes, please explain on an attached sheet
2. Have any of the Companies received any federal and/or state unfair labor practices complaints asserted during the current calendar year or any the five calendar years preceding the current calendar year?
 Yes No If Yes, please describe and explain current status of complaints on an attached sheet
3. Do any of the Companies have pending or threatened requests for arbitration, grievance proceedings or other labor disputes during the current calendar year or any of the five calendar years preceding the current calendar year?
 Yes No If Yes, please explain on an attached sheet
4. Are all employees of the Companies permitted to work in the United States?
 Yes No If No, please provide details on an attached sheet.
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 on an attached sheet
5. 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 or preceding three year calendar years?
 Yes No If "Yes," please use an attached sheet to briefly describe the nature and date of the inspection and the inspecting governmental entity. 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 any of the Companies as a consequence.
6. Have 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 "Yes," please use an attached sheet to quantify the liability and briefly describe its nature. Refer to any governmental entities that have had regulatory contact with the Company in connection with the liability.
7. Are the practices of any of the Companies now, or have they been at any time during the current or preceding five calendar years, 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 "Yes," provide details on an attached sheet. Note "discrimination" includes sexual harassment.

<u>Case Name</u>	<u>Description</u>	<u>Venue</u>	<u>Case/Index No.</u>	<u>Date Filed</u>
<p>█ vs. <i>E. Gluck Corporation</i></p>	<p>Complaint made to EEOC regarding discrimination on the basis of age, race, and ethnicity. Resolved through private mediation.</p>	<p>EEOC</p>	<p>520-2010-00519</p>	<p>12/21/2009</p>
<p>█ v. <i>E. Gluck Corporation, and █ in his individual and professional capacities, and Movado Group, Inc.</i></p>	<p>Complaint made to EEOC and filed with the Supreme Court of the State of New York alleging company interference with employees' ability to obtain other employment. EEOC dismissed complaint. Supreme Court complaint still open. Company is defending against the claim.</p>	<p>Supreme Court, Queens County</p>	<p>5773/2013</p>	<p>3/26/2013</p>
<p>█ v. █ <i>E. Gluck</i></p>	<p>Employee terminated for cause. Employee filed administrative charge with SDHR claiming termination on the basis of racial discrimination. Company has responded that the claim is without merit and is awaiting a decision.</p>	<p>SDHR</p>	<p>10161773</p>	<p>5/2/2013</p>

Financials

1. Has Applicant, any Affiliate, or Principal, or any close relative of any Principal, ever received, or is any such person or entity currently receiving, financial assistance or any other kind of non-discretionary benefit from any Public Entities?
 Yes No If Yes, please provide details on an attached sheet.
2. Has Applicant, or any Affiliate or Principal, or any existing or proposed occupant at the Project Location(s), obtained, or is any such person or entity in the process of obtaining, or contemplating obtaining, other assistance from the NYCIDA/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.
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?
 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 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.

For questions 7 through 12, below, 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	Email	% of Revenues
Walmart	PO Box 116, Bentonville, AR 72716	Accounts Payable				21%
Macy's	PO Box 415774 Cincinnati, OH 45241	Accounts Payable				17%
Kohl's	PO Box 959 Milwaukee, WI 53201	Accounts Payable				7%
JC Penney's	PO Box 689 Salt Lake City, UT 84110	Accounts Payable				4%

8. List major suppliers:

Company Name	Address	Contact	Phone	Fax	Email
Federal Express	PO Box 371461 Pittsburgh, PA 15250				
UPS	PO Box 7247-0244 Philadelphia, PA 19170				
Impenco	240 Guizot Street West Montreal, Canada H2P 1L5				
Chippenhook	PO Box 678264 Dallas, TX 75267				

9. List major Funding sources (if applicable):

Company Name	Address	Contact	Phone	Fax	Email
N/A					

10. List unions (if applicable):

Union Name	Address	Contact	Phone	Fax	Email
N/A					

11. List banks:

Bank Name	Address	Contact	Phone	Fax	Email	Account Type and Number
Bank of America	300 Broadhollow Road, Melville, NY					

12. List licensing authorities (if applicable):

Company Name	Address	Contact	Phone	Fax	Email
N/A					

Anti-Raiding

1. Will the completion of the Project result in the relocation of any plant or facility located within New York State, but outside of New York City, to New York City? Yes No

If "Yes," please provide the names of the owners and addresses of the to-be-relocated plant(s) or facility(ies):

2. Will the completion of the Project result in the abandonment of any plants or facilities located in an area of New York State other than New York City? Yes No

If "Yes," please provide the names of the owners/operators and the addresses of the to-be-abandoned plant(s) or facility(ies):

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

3. 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
4. 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 3 or 4 is "Yes," please provide on a detailed explanation on a separate sheet of paper.

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 Agency's Board, in order to obtain from the Board an expression of Intent to provide the benefits requested herein for the Project.

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 Agency's Board to reject the request made in the Application Materials. I understand that the Agency 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, and if such background check performed by the Agency with respect to Applicant or any Affiliates reveals negative information, Applicant consents to any actions that the Agency or NYCEDC may take to investigate and verify such information; that the Agency may be required under SEQRA to make a determination as to the Project's environmental impact and that in the event the Agency determines 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/Buuld 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.

I further understand and agree as follows:

That notwithstanding submission of this Application, the Agency shall be under no obligation to present Applicant's proposed Project to its Board of Directors for approval. If the Agency presents Applicant's proposed Project to its Board of Directors for approval, the Agency does not guaranty that such approval will be obtained. If upon presenting Applicant's proposed Project to its Board of Directors for approval the Agency obtains such approval, such approval shall not constitute a guaranty from the Agency to Applicant that the Project transaction will close.

That preparation of this Application and any other actions taken in connection with the proposed Project shall be entirely at Applicant's sole cost and expense. Under all circumstances, the Application Fee is non-refundable, including but not limited to the circumstance where the Agency decides, in its sole discretion, to not present Applicant's proposed project to the the Agency Board of Directors for Approval.

That the Applicant hereby releases the Agency, NYCEDC, and the directors, officers, employees and agents of each (collectively, the "Indemnitees") from all claims that Applicant has or could assert and which arise out of this Application or out of any actions taken in connection with this Application or out of any other actions taken in connection with the proposed Project (collectively, the "Actions"). Applicant hereby indemnifies and holds harmless each of the Indemnitees against any claims and damages brought or asserted by third parties, including reasonable attorneys' fees, arising from or in connection with the Actions. As referred to herein, "third parties" shall include but not be limited to Affiliates.

That in the event the Agency discloses the Application Materials in response to a request made pursuant to FOIL, Applicant hereby authorizes the Agency to make such disclosure and hereby releases the Agency from any claim or action that Applicant may have or might bring against the Agency, their directors, officers, agents, employees and attorneys, by reason of such disclosure; and that Applicant agrees to defend, indemnify and hold the Agency and 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, Affiliate, Owner or Principal, or by the officers, directors, employees and agents thereof.

I acknowledge and agree that the Agency reserves its 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,

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 30th day of July, 2013.
 Name of Applicant: E. Gluck Corporation
 Signatory: EUGEN GLUCK
 Title of Signatory: NYCEDC Pres
 Signature: [Signature]

This 30th day of July, 2013.
 Name of Preparer: Akerman Senterfitt LLP
 Signatory: [Signature]
 Title of Signatory: Managing Shareholder
 Signature: Steven Polony

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 E. Gluck Little Neck Parkway Project

Location of Action (include Street Address, Municipality and County)
60-15 through 60-31 Little Neck Parkway, Little Neck, New York, 11362
Queens County

Name of Applicant/Sponsor E. Gluck Corporation (as Lessee)

Address 29-10 Thomson Avenue

City / PO Long Island City State NY Zip Code 11101

Business Telephone 718-784-0700

Name of Owner (if different) Steel Tribune, LLC

Address 700 Hicksville Road

City / PO Bethpage State NY Zip Code 11714

Business Telephone 516.576.3165

Description of Action:

As-of-right enlargement of a 154,000 s.f. building including a 17,000 s.f. mezzanine, to 235,000 s.f., including a 40,000 s.f. mezzanine.
Zoning permits an as-of-right building with up to 292,000 s.f. of zoning floor area.

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: 6.72 acres.

APPROXIMATE ACREAGE	PRESENTLY	AFTER COMPLETION
Meadow or Brushland (Non-agricultural)	<u>0</u> acres	<u>0</u> acres
Forested	<u>0</u> acres	<u>0</u> acres
Agricultural (Includes orchards, cropland, pasture, etc.)	<u>0</u> acres	<u>0</u> acres
Wetland (Freshwater or tidal as per Articles 24,25 of ECL)	<u>0</u> acres	<u>0</u> acres
Water Surface Area	<u>0</u> acres	<u>0</u> acres
Unvegetated (Rock, earth or fill)	<u>0</u> acres	<u>0</u> acres
Roads, buildings and other paved surfaces	<u>6.72</u> acres	<u>6.72</u> acres
Other (Indicate type) _____	<u>0</u> acres	<u>0</u> acres

3. What is predominant soil type(s) on project site? paved surface

- a. Soil drainage: Well drained 100 % 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) please see Phase I

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:

none

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

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

none

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 6177? 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: 6.71 acres.
- b. Project acreage to be developed: 6.71 acres initially; 6.71 acres ultimately.
- c. Project acreage to remain undeveloped: 0 acres.
- d. Length of project, in miles: 0 (if appropriate)
- e. If the project is an expansion, indicate percent of expansion proposed. 65 %
- f. Number of off-street parking spaces existing 314; proposed 150
- g. Maximum vehicular trips generated per hour: 70 (a.m.) (upon completion of project)?
- h. -If residential: Number and type of housing units:

	One Family	Two Family	Multiple Family	Condominium
Initially	<u>N/A</u>	<u></u>	<u></u>	<u></u>
Ultimately	<u>N/A</u>	<u></u>	<u></u>	<u></u>

- i. Dimensions (in feet) of largest proposed structure: 35 height; 504.8 width; 371.8 length.
- j. Linear feet of frontage along a public thoroughfare project will occupy is? 1925 ft.

2. How much natural material (i.e. rock, earth, etc.) will be removed from the site? 0 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? 0 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: 9 months, (including demolition)

7. If multi-phased:

- a. Total number of phases anticipated _____ (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 200; after project is complete 355

10. Number of jobs eliminated by this project N/A.

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

If yes, explain:

Currently, E. Gluck occupies 235,000 ft.² of leased space in Long Island city, NY. Due the early termination of that lease by their landlord, they will be moving all of their operations to the project location.

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? 30 +/- tons
- b. If yes, will an existing solid waste facility be used? Yes No
- c. If yes, give name TBD; location unknown (see note, below)
- d. Will any wastes not go into a sewage disposal system or into a sanitary landfill? Yes No

16 (c) Applicant would utilize a licensed private carrier to remove solid waste from the site.

e. If yes, explain:

Recycled cardboard, Paper, etc...

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)

Utility use (water, gas, electricity) will increase over current levels as the building is currently unoccupied.

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

23. Total anticipated water usage per day 65,000 gallons/day.

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

If yes, explain:

Project is applying for New York City IDA benefits in the form of sales and property tax benefits, mortgage recording tax abatement and discounted energy. Project is also apply for state funding in the form of grants and job tax credits.

25. Approvals Required:

		Type	Submittal Date
City, Town, Village Board	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	NYC DOB	
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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No	NYCEDC	8/7/2013
Other Regional Agencies	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
State Agencies	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	ESDC	7/30 & 8/12/13
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?

292,700 s.f

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?

292,700 s.f

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?

R2A, R3-2, R3-X

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? N/A

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

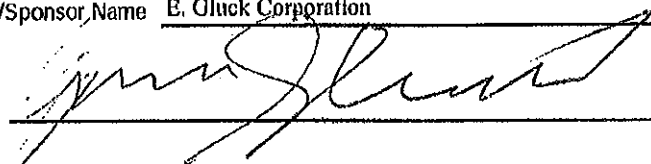
I certify that the information provided above is true to the best of my knowledge.

Applicant/Sponsor Name E. Gluck Corporation

Date

8/28/13

Signature



Title

CHAIRMAN C.E.O.

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