

NYCIDA PROJECT COST/BENEFIT ANALYSIS

June 9, 2016

APPLICANT

Favorite Plastic Corp.

1465 Utica Avenue
Brooklyn New York 11234

PROJECT LOCATION

1465 Utica Avenue
Brooklyn New York 1123

A. Project Description:

Favorite Plastic Corp. (the “Company”), a plastics extrusion manufacturer, and Utica Realty LLC, an affiliated real estate holding company, seek financial assistance in connection with the renovation and equipping of an existing approximately 67,700 square foot plastic extrusion and manufacturing facility

Total Project costs are estimated to be \$1,675,000 with \$1,200,000 for furnishings and equipment, \$400,000 for renovation and \$75,000 in closing fees.

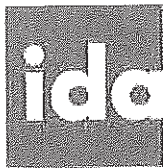
The Company currently has 40 full-time equivalent employees at the project location and expects to hire 3 full-time equivalent employees within three years.

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

Land Tax Abatement (NPV, 25 years):	\$ 1,088,929
Building Tax Exemption (NPV, 25 years):	587,820
Sales Tax Exemption:	66,600
Total Cost to NYC	\$ 1,743,349

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

\$ 7,339,309



New York City
Industrial Development Agency



BENEFITS APPLICATION

Applicant Name: FAVORITE PLASTIC CORP.	
Name of operating company (if different from Applicant):	
Operating Company Address: 1465 Utica Ave., Brooklyn, NY 11234	
Website Address: none is site is as you as you will	
EIN [REDACTED]	NAICS Code:
State and date of incorporation or formation: Delaware	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 Financial Assistance (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.

<input type="checkbox"/> Bond Financing
<input checked="" type="checkbox"/> Real Estate Tax Benefits
<input checked="" type="checkbox"/> Sales Tax Waiver
<input type="checkbox"/> Mortgage Recording Tax Deferral

Applicant Contact Information

	Name/Title	Company	Address	Email	Phone
Applicant Contact Person	Mitchell Kirschner	Favorite Plastics	1465 Utica Ave.	[REDACTED]	[REDACTED]
Attorney	Jeffrey Zwick	Zwick and Associates	266 Broadway Brooklyn New York 11211	[REDACTED]	[REDACTED]
Accountant				[REDACTED]	[REDACTED]
Consultant/Other	Rob Morel	City One Associates	2440 Broadway , New York, New York	[REDACTED]	[REDACTED]

PROPOSED PROJECT ACTIVITIES – CORE IDA APPLICATION page 2

- 1) Favorite Plastics is the last of the large plastic extrusion and manufacturing firms remaining in New York City. All our major competitors have relocated to cheaper manufacturing locales in New Jersey and elsewhere. The company employs 40, mostly union employees providing a significant benefit package. The plastics business is very competitive and the company needs the help of the New York City IDA to upgrade their extrusion machinery and their manufacturing plant so they can continue to operate in New York City. The project will create five new jobs in the near future.
- 2) Favorite Plastics is operating at near to capacity in our 65,000 ft.² manufacturing plant. The company is losing numerous business opportunities and since there is no room to expand management has to make their operations more efficient. This upgrade will allow the company to manufacture a higher end product and go into new lines of production. This project is necessary to upgrade and maintain Favorite Plastics' competitive edge.
- 3) The company will be spending approximately \$1,200,000 for new computerized Blow Film Extruders, lenders, chilled air coolers, and surface winders, etc. and over \$400,000 of renovations to the facility including the erection of steel decking and mezzanines, demolishing parts of the existing floor, building new concrete pads with special epoxy floors, upgrading the electric, plumbing and loading, etc.
- 4) After the approval of the IDA in June, we will order the equipment in July and start the renovations in the fall and expect by summer 2017 the project will be complete.

FAVORITE PLASTIC CORP.

Favorite Plastic Corp. is the largest plastics extrusion manufacturer still operating in New York City. The company is operating at capacity in their 65,000 sq. ft. manufacturing plant with 40, mostly union, employees. The plastics business is very competitive and the company needs the help of the New York City IDA to upgrade their extrusion machinery and their manufacturing plant so they can continue to operate in New York City. The company will spend \$1.6 million in new machinery and building renovations and needs to secure a 25 year PILOT benefit so it can remain competitive with other plastic extrusion companies that have left New York City to operate in cheaper locales.

COMPANY HISTORY

The company was formed in 1956 by two brother-in-law's who built up the business from a small plastic bag production company in 5000 ft.², to a modern manufacturer of polyethylene films of various different sizes of narrow tubing which are rolled and sold to other manufacturers who print on the film, add draw strings, zip lock closures, handles, etc. These secondary manufacturers are located in New Jersey, Pennsylvania, Georgia, Illinois and North and South Carolina.

By 1986, the company had expanded significantly and had acquired its current 65,000 ft.² facility at 1465 Utica Avenue, in Brooklyn. In that year the company was acquired by Spartech Corporation, a publicly held New York stock exchange corporation that owned and operated plastic companies throughout the United States. By 1992, the company was whipsawed by the leveraged buyout craze and Spartech was forced to sell the the company to raise cash and the business was acquired by Mr. Hersey Friedman, who has operated it ever since.

COMPANY OPERATIONS

The production process is as follows: plastic pellets are melted and formed into a bubble and extruded with air blowing them into tubes of various sizes. Some of these tubes reach 20 to 30 feet where the polyethylene plastic is cooled and then rolled for shipment to another set of plastic bag manufacturers. These large roles of polyethylene plastic are called film. These plastic bag manufacturers will then print on the film, cut them into different sizes, attach different kinds of closures such as zip locks, handles, drawstrings , etc. The plastic bag manufacturer will then ship the bags to the food company, retail company, etc. where the product being bagged is inserted and closed and shipped to the retailer. Favorite Plastic's

manufacturing and producing these films is just the beginning part of a long process of manufacturing a plastic bag.

The company's products are used in all types of retail packaging, medical packaging, food packaging, frozen food packaging, diaper packaging and all other types of soft goods packaging, etc. The company developed plastic permeated packaging which is now being used a great deal in mailer bags which are very popular with FedEx and other Internet shipping services.

THE PROJECT

New York City used to be the home of the many large plastic film manufacturing companies: Glopak Inc.-Manhattan Polybag Inc.-- Allied Extruders Inc.--- Polly Craft Plastics Inc.-- Reliable Polly Plastic Inc.--- Consolidated Packaging Inc. They have all relocated to cheaper locales in New Jersey and Long Island . Easily 250 employees lost their jobs. With the help of the New York City IDA, Favorite Plastics will be able to remain in New York City for the long term. But the company will need assistance upgrading their facility in terms of receiving 25 year PILOT abatement and sales tax benefits.

As stated elsewhere in the application, the company is operating at near to capacity and must upgrade their facility so that they can remain competitive with other film manufacturers. Management has investigated several New Jersey locations, following the footsteps of their competitors. For example there was a 30,000 ft.² industrial warehouse building with heavy power which could easily be converted to their production needs. The facility also had 15,000 ft.² of parking and expansion space as well as 35, 000 ft.² of land also available for expansion purposes. The property is only 10 miles from the George Washington Bridge and 7 miles to Lincoln Tunnel, so the company could easily service their New York City, Long Island and upstate customers as well as the national and international customers. The pt was on the market for \$3,250,000. Favorite can easily sell their Utica property for \$9 million and make a huge profit.

The proposed expansion project will be to spend over \$1,600,000 upgrading the facility acquiring machinery and equipment and renovating the plant by constructing new mezzanine and tower decking for the new Blow Film Extruders, building concrete pads, and special epoxy flooring, as well as upgrading the electric, plumbing and loading dock, etc. The company will also upgrade their cogeneration equipment. This expansion will allow the company to create five new jobs in the future.

RESUMES

Hershey Friedman : **PRESIDENT** .Practically born with business acumen, at 17 Hershey Friedman was propelled into managing the family business after his father was paralyzed in an accident. At 32, having studied law and accounting in the evening at Montreal College, Friedman took a company on the verge of bankruptcy and made it an enormous success. Over the years he bought two dozen more companies in the same plastics packaging industry as is currently one of the largest plastics manufacturers in North America.

Mitchell Kirschner, the **COO** of Favorite Plastics, was born and raised in Manhattan. He attended Baruch College where he graduated with honors and with a degree in Business Administration. He joined the accounting firm of Laventhol & Horwath and went on to receive his CPA license. Spartech Corporation, a NYSE listed plastics holding company, hired him in 1989 as the CFO when they purchased Favorite Plastics and he has remained with Favorite after it was taken private in 1992. Mitchell is in charge of finance, administration, quality control, production and sales.

Background

Please provide a brief description of the Applicant's history and nature of its business, including a description of the industry, competitors and 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.
2. Please provide a brief description of how the proposed Project will affect current operations.
3. Please provide a brief description of renovations/construction of the proposed Project.
4. Please provide a brief timeline for the entire proposed Project.

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	Company Funds	Other (Identify):	
Land & Building Acquisition								
Construction Hard Costs						\$400,000		\$400,000
Construction Soft Costs								
Fixed Tenant Improvements								
Furnishings & Equipment						\$1,200,000		\$1,200,000
Debt Service Reserve Fund								
Capitalized Interest								
Costs of Issuance								
Fees (explain):								
Other (explain) closing costs						\$75,000		\$75,000
Total Sources						\$1,675,000		\$1,675,000

Operating Pro Forma (for NYCIDA applicants only)

Please provide an operating pro forma or other financial analysis demonstrating how NYCIDA assistance is needed in order to make the Project feasible.

Sourcing

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? <input type="text" value="50%"/>
<input type="checkbox"/> New York State (excluding NYC)	% of Total? <input type="text"/>
<input type="checkbox"/> United States (excluding NYS & NYC)	% of Total? <input type="text"/>
<input type="checkbox"/> Outside United States	% of Total? <input type="text" value="50%"/>
<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: 7969 – 20		Street address and zip code: 1465 Utica Ave., Brooklyn, NY 11234	
Zoning: M1- 1		Number of Floors: mostly 1+ partial second floor office	
Square footage of existing building: 67,700		Square footage of land: plus or minus 8,000 sq ft	
Anticipated square footage of building following construction and/or renovation: no change		Anticipated square footage of non-building improvements following construction and/or renovation (i.e., parking lot construction):	
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 checked="" type="checkbox"/> Applicant or an Affiliate is or expects to be the fee simple owner of the Project Location	(Projected) Acquisition date: 1992
<input type="checkbox"/> Applicant or an Affiliate leases or expects to lease the Project Location	(Projected) Lease signing date:
If you checked the box above, please select one of the following: <input 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 checked="" 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: Utica Realty LLC	EIN # of Affiliate: 
Address of Affiliate: 1465 Utica Ave., Brooklyn, NY 11234	
Affiliation of Affiliate to Applicant: real estate holding entity	
Contact Person: Mr. Mitchell Kirschner	Title of Contact Person: CHIEF OPERATING OFFICER
Phone Number(s): 718-253-7000	

Employment Information

The following information will be used as part of the Agency'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 Project Agreement.

In addition, information included in the Estimated New-growth Employment (section 6) will be used to determine eligibility for participation in the HireNYC Program. For program information, visit nycerc.com/hirenyc. If eligible for HireNYC Program participation, NYCEDC will provide additional details.

For all responses below, please note that part-time employees work an average of between 17.5 and 35 hours per week, and full-time employees work 35 hours or more per week. Hourly wages should represent the pay rate and are exclusive of overtime. For any salaried employees, please divide the annual salary by 1,820 (working hours per year) to produce an hourly wage. Wage information should exclude principals.

1. **Anticipated Facility Operations Start Date at Project Location:** Current operation/expansion completed in 6/2017

2. **Regarding employees the Applicant employed throughout New York City as of the last pay period:** _____
 Number of part-time employees: 0 Number of full-time employees: 40

3. **Regarding employment if Applicant currently occupies and operates at the Project Location:**
 Hourly wage of lowest compensated part-time employee: 0 Hourly wage of lowest compensated full-time employee: 9
 Number of part-time employees: 0 Number of full-time employees: 40

4. **Regarding employees the Applicant expects to employ throughout New York City on the Facility Operations Start Date:**
 Number of part-time employees: 0 Number of full-time employees: 40

How many of these employees are expected to be relocated to the Project Location on or about the Facility Operations Start Date?
 Number of part-time employees: 0 Number of full-time employees: 40

5. **Regarding all employees at the Project Location on the Facility Operations Start Date:**
 Average hourly wage per part-time employee: 0 Average hourly wage per full-time employee: 14.20
 Hourly wage of highest compensated part-time employee: 0 Hourly wage of highest compensated full-time employee: 80
 Hourly wage of lowest compensated part-time employee: 0 Hourly wage of lowest compensated full-time employee: 9
 Number of part-time employees: 0 Number of full-time employees: 40

6. **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	1	1	1	0	0	1	1	
Permanent Part-time	N/A							

Wage and Benefits Information

7. **For all new employees at the Project Location (again, excluding Principals) expected to be hired during the three-year period following the Facility Operations Start Date,** please project the following:

Average hourly wage per part-time employee: na Average hourly wage per full-time employee: \$18
 Hourly wage of lowest compensated part-time employee: na Hourly wage of lowest compensated full-time employee: \$16

8. 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. HEALTHCARE/401K/PENSION

9. Please indicate whether the Applicant or any of its Affiliates will be required to provide health coverage to its employees pursuant to the federal Patient Protection and Affordable Care Act (the "Act"). If yes, please provide an overview of the applicable requirements under the Act and an explanation of how the Applicant plans to comply with such requirements. If no, please explain why. we provide all health insurance

10. Is your company currently providing paid sick time to employees in accordance with the Earned Sick Time Act (Chapter 8 of Title 20 of the NYC Administrative Code) and otherwise in compliance with such law? If yes, please provide an explanation of your company's paid and unpaid sick time policy. If no, please explain why. We exceed Earned Sick Time Act 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.

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**? *ICAP/ECSP/NYPA/NYSERDA*
 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: **SEE ATTACHED**

Company Name	Address	Contact	Phone	Fax	Email	% of Revenues

8. List major suppliers: **SEE ATTACHED**

Company Name	Address	Contact	Phone	Fax	Email

9. List major Funding sources (if applicable):

Company Name	Address	Contact	Phone	Fax	Email
NA					

10. List unions (if applicable):

Union Name	Address	Contact	Phone	Fax	Email
International Brotherhood of Teamsters	24 – 09 38 Avenue LIC New York	TOM FEELEY	[REDACTED]		

11. List banks:

Bank Name	Address	Contact	Phone	Fax	Email	Account Type and Number
CHASE BANK		NORRISSA DAILY	[REDACTED]			

12. List licensing authorities (if applicable):

Company Name	Address	Contact	Phone	Fax	Email

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-removed 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 and its Affiliates, 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 applicable Agency's Board of Directors (the "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 and its Affiliates.

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 of the City; that under the New York State Freedom of Information Law ("FOIL"), the NYCIDA/Build NYC may be required to disclose the Application Materials and the information contained therein (see the Disclosure Policy section of the Policies and Instructions provided to Applicant and signed by Applicant on or about the date hereof (the "Policies and Instructions")); 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 for approval. If the Agency presents Applicant's proposed Project to its Board for approval, the Agency does not guaranty that such approval will be obtained. If upon presenting Applicant's proposed Project to its 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 each of Applicant and each of its Affiliates (collectively, the "Indemnitors") hereby releases NYCIDA, Build NYC, NYCEDC and their respective directors, officers, employees and agents (collectively, the "Indemnitees") from and against any and all claims that any Indemnitor has or could assert and which arise out of, or are related to, any Application Materials, any actions taken in connection therewith or any other actions taken in connection with the proposed Project (collectively, the "Actions"). Each Indemnitor hereby indemnifies and holds harmless each of the Indemnitees from and against any and all 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 shall 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.

That capitalized terms used but not defined in this Application have the respective meanings specified in the Policies and Instructions.

I acknowledge and agree that the Agency reserves its right in its 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 the Application Materials, and know of no material fact required to be stated in the Application Materials to make the statements made therein not misleading. Certified by Preparer,

This 18 day of March 2016

This 18 day of March, 2016

Name of Applicant: Favorite Plastics

Name of Preparer: Robert Morel

Signatory: Mitchell Kirschauer

Signatory: City One Associates Inc

Title of Signatory: Chief Operating Officer

Title of Signatory: consultant

Signature: [Handwritten Signature]

Signature: [Handwritten Signature]

617.20
Appendix B
Short Environmental Assessment Form

Instructions for Completing

Part 1 - Project Information. The applicant or project sponsor is responsible for the completion of Part 1. Responses become part of the application for approval or funding, are subject to public review, and may be subject to further verification. Complete Part I based on information currently available. If additional research or investigation would be needed to fully respond to any item, please answer as thoroughly as possible based on current information.

Complete all items in Part 1. You may also provide any additional information which you believe will be needed by or useful to the lead agency; attach additional pages as necessary to supplement any item.

Part 1 - Project and Sponsor Information			
Favorite plastic CORP.			
Name of Action or Project: Renovation and machinery acquisition			
Project Location (describe, and attach a location map): 1465 Utica Ave., Brooklyn, NY 11234			
Brief Description of Proposed Action: Company will be spending approximately \$1,200,000 in high tech machinery and spending \$400,000 renovating the facility including direction of steel decking and mezzanines building new concrete pads and adding special epoxy flooring.			
Name of Applicant or Sponsor: Favorite PLASTIC CORP.		Telephone:	
		E-Mail:	
Address: 1465 Utica Ave.			
City/PO: Brooklyn, NY 11234		State:	Zip Code:
1. Does the proposed action only involve the legislative adoption of a plan, local law, ordinance, administrative rule, or regulation? If Yes, attach a narrative description of the intent of the proposed action and the environmental resources that may be affected in the municipality and proceed to Part 2. If no, continue to question 2.		NO	YES
		<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Does the proposed action require a permit, approval or funding from any other governmental Agency? If Yes, list agency(s) name and permit or approval: NYC IDA APPROVAL		NO	YES
		<input type="checkbox"/>	<input checked="" type="checkbox"/>
3.a. Total acreage of the site of the proposed action? _____ acres			
b. Total acreage to be physically disturbed? _____ acres			
c. Total acreage (project site and any contiguous properties) owned or controlled by the applicant or project sponsor? _____ acres			
4. Check all land uses that occur on, adjoining and near the proposed action.			
<input checked="" type="checkbox"/> Urban <input type="checkbox"/> Rural (non-agriculture) <input checked="" type="checkbox"/> Industrial <input checked="" type="checkbox"/> Commercial <input checked="" type="checkbox"/> Residential (suburban)			
<input type="checkbox"/> Forest <input type="checkbox"/> Agriculture <input type="checkbox"/> Aquatic <input type="checkbox"/> Other (specify): _____			
<input type="checkbox"/> Parkland			

5. Is the proposed action, a. A permitted use under the zoning regulations?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. Consistent with the adopted comprehensive plan?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
6. Is the proposed action consistent with the predominant character of the existing built or natural landscape?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
7. Is the site of the proposed action located in, or does it adjoin, a state listed Critical Environmental Area? If Yes, identify: _____	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. a. Will the proposed action result in a substantial increase in traffic above present levels?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Are public transportation service(s) available at or near the site of the proposed action?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c. Are any pedestrian accommodations or bicycle routes available on or near site of the proposed action?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
9. Does the proposed action meet or exceed the state energy code requirements? If the proposed action will exceed requirements, describe design features and technologies: _____	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
10. Will the proposed action connect to an existing public/private water supply? If No, describe method for providing potable water: _____	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
11. Will the proposed action connect to existing wastewater utilities? If No, describe method for providing wastewater treatment: _____	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
12. a. Does the site contain a structure that is listed on either the State or National Register of Historic Places?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Is the proposed action located in an archeological sensitive area?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. a. Does any portion of the site of the proposed action, or lands adjoining the proposed action, contain wetlands or other waterbodies regulated by a federal, state or local agency?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Would the proposed action physically alter, or encroach into, any existing wetland or waterbody? If Yes, identify the wetland or waterbody and extent of alterations in square feet or acres: _____	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Identify the typical habitat types that occur on, or are likely to be found on the project site. Check all that apply: <input type="checkbox"/> Shoreline <input type="checkbox"/> Forest <input type="checkbox"/> Agricultural/grasslands <input type="checkbox"/> Early mid-successional <input type="checkbox"/> Wetland <input checked="" type="checkbox"/> Urban <input type="checkbox"/> Suburban			
15. Does the site of the proposed action contain any species of animal, or associated habitats, listed by the State or Federal government as threatened or endangered?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16. Is the project site located in the 100 year flood plain?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Will the proposed action create storm water discharge, either from point or non-point sources? If Yes, a. Will storm water discharges flow to adjacent properties? <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. Will storm water discharges be directed to established conveyance systems (runoff and storm drains)? If Yes, briefly describe: <u>NYC sewer system</u> <input type="checkbox"/> NO <input checked="" type="checkbox"/> YES			

18. Does the proposed action include construction or other activities that result in the impoundment of water or other liquids (e.g. retention pond, waste lagoon, dam)? If Yes, explain purpose and size: _____	NO	YES
_____	<input checked="" type="checkbox"/>	<input type="checkbox"/>
19. Has the site of the proposed action or an adjoining property been the location of an active or closed solid waste management facility? If Yes, describe: _____	NO	YES
_____	<input checked="" type="checkbox"/>	<input type="checkbox"/>
20. Has the site of the proposed action or an adjoining property been the subject of remediation (ongoing or completed) for hazardous waste? If Yes, describe: <u>please see phase 1</u>	NO	YES
_____	<input checked="" type="checkbox"/>	<input type="checkbox"/>
I AFFIRM THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND ACCURATE TO THE BEST OF MY KNOWLEDGE		
Applicant/sponsor name: <u>Mitchel Kirschner</u>	Date: <u>5/10/16</u>	
Signature: <u>Mitchel Kirschner</u>		

Part 2 - Impact Assessment. The Lead Agency is responsible for the completion of Part 2. Answer all of the following questions in Part 2 using the information contained in Part 1 and other materials submitted by the project sponsor or otherwise available to the reviewer. When answering the questions the reviewer should be guided by the concept "Have my responses been reasonable considering the scale and context of the proposed action?"

	No, or small impact may occur	Moderate to large impact may occur
1. Will the proposed action create a material conflict with an adopted land use plan or zoning regulations?	<input type="checkbox"/>	<input type="checkbox"/>
2. Will the proposed action result in a change in the use or intensity of use of land?	<input type="checkbox"/>	<input type="checkbox"/>
3. Will the proposed action impair the character or quality of the existing community?	<input type="checkbox"/>	<input type="checkbox"/>
4. Will the proposed action have an impact on the environmental characteristics that caused the establishment of a Critical Environmental Area (CEA)?	<input type="checkbox"/>	<input type="checkbox"/>
5. Will the proposed action result in an adverse change in the existing level of traffic or affect existing infrastructure for mass transit, biking or walkway?	<input type="checkbox"/>	<input type="checkbox"/>
6. Will the proposed action cause an increase in the use of energy and it fails to incorporate reasonably available energy conservation or renewable energy opportunities?	<input type="checkbox"/>	<input type="checkbox"/>
7. Will the proposed action impact existing:	<input type="checkbox"/>	<input type="checkbox"/>
a. public / private water supplies?	<input type="checkbox"/>	<input type="checkbox"/>
b. public / private wastewater treatment utilities?	<input type="checkbox"/>	<input type="checkbox"/>
8. Will the proposed action impair the character or quality of important historic, archaeological, architectural or aesthetic resources?	<input type="checkbox"/>	<input type="checkbox"/>
9. Will the proposed action result in an adverse change to natural resources (e.g., wetlands, waterbodies, groundwater, air quality, flora and fauna)?	<input type="checkbox"/>	<input type="checkbox"/>