

## Project Information

### 2022 – Seal & Design, Inc. – 4015 Casilio Parkway, Clarence, NY

Project Name: Seal and Design Inc. Project – 4015 Casilio Pkwy.  
Project Address: 4015 Casilio Parkway, clarence, NY 14031  
Project Amount: Not to Exceed \$1,475,000.00  
Request: Property Tax Abatement (7 Yr. PILOT) Sales Tax Exemption,  
Type of Industry/Business: Manufacturing Facility  
Type of Transaction: Lease/Lease Back

### Public Hearing Notice

#### NOTICE OF PUBLIC HEARING TOWN OF CLARENCE, ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

PLEASE TAKE NOTICE that the Town of Clarence, Erie County, Industrial Development Agency will hold a public hearing October 20, 2022, at 8:25 a.m. at the Clarence Town Hall, One Town Place, Clarence, New York, to consider the following proposed financial assistance requested of the Agency.

1. **SEAL & DESIGN INC.** - Request for Agency assistance in the form of a lease lease-back transaction in an amount not to exceed \$1,475,000.00. The assistance contemplated by the Agency will include sales tax exemption on any materials and/or equipment purchased for incorporation into the Project and real property tax abatement in accordance with existing Agency Uniform Tax Exemption Policy and Guidelines. Seal & Design Inc. (the "Lessee") requests assistance in connection with the renovation and expansion of a manufacturing facility, located at 4015 Casilio Parkway, in the Town of Clarence, New York (the "Project"). The Project will allow the Lessee to expand its current business and increase their level of employment, making the project affordable and keeping the Lessee in the Town of Clarence.

The Agency will present information relative to this project and application at the hearing. Persons interested may attend and will be given an opportunity during the hearing to make statements. Also written comments may be submitted to the Agency at or before the hearing.

Additional information can be obtained from and written comments may be addressed to:  
Paul Leone  
Consultant to Town of Clarence, Erie County, Industrial Development Agency  
One Town Place  
Clarence, New York 14031

### RESOLUTION

RESOLUTION OF THE TOWN OF CLARENCE, ERIE COUNTY, INDUSTRIAL DEVELOPMENT AGENCY (THE AGENCY") AUTHORIZING PENMAN ENTERPRISES LLC (THE "LESSEE") TO RENOVATE AND EXPAND ITS FACILITY AT 4015 CASILIO PARKWAY, CLARENCE OWNED BY THE LESSEE, AS AGENT FOR THE AGENCY FOR LEASE TO THE AGENCY AND SUBSEQUENT LEASEBACK TO THE LESSEE FOR FURTHER SUBLEASE TO SEAL & DESIGN, INC.

WHEREAS, PENMAN ENTERPRISES LLC (the "Lessee") has entered into negotiations with the officials of the Town of Clarence, Erie County, Industrial Development Agency (the "Agency") with respect to the renovation and equipping of 1,600 square foot back office; construction and equipping of a 1,659 foot addition for lunch/break space and the construction and equipping of a 1,500 square foot warehouse addition at 4015 Casilio Parkway, Clarence, as agent for the agency for lease to the agency and subsequent leaseback to the Lessee and further sublease to Seal & Design Inc. (The "Sublessee") (the "Project"); and

WHEREAS, the Lessee and Sublessee have submitted an Eligibility Questionnaire and other materials and information to the Agency to initiate the accomplishment of the above (collectively hereinafter the "Eligibility Questionnaire"); and

WHEREAS, the Eligibility Questionnaire sets forth certain information with respect to the Lessee and Sublessee, including the following: that the Lessee desires Agency to renovate and construct buildings to allow for the expansion of the Lessee and Sublessee which is necessary to support the growth of the Lessee and Sublessee and the expansion of their operations in Clarence, New York; that if the assistance is granted, the Sublessee anticipates hiring 15 FTE and 3 PTE at the Project location in the Town of Clarence within two years following the completion of the Project; that the Project will result in substantial capital investment; that there will be no adverse disruption of existing employment at facilities of a similar nature in the Town of Clarence; if Agency financing or other assistance is disapproved, the Lessee and

Sublessee would have to scale back the Project negatively impacting future growth in New York; and that, therefore, Agency assistance is necessary to encourage the Lessee and Sublessee to proceed with the Project in the Town of Clarence; and

WHEREAS, the Agency has held a public hearing on the Project pursuant to Section 859-A of the General Municipal Law; and

WHEREAS, the Agency desires to further encourage the Lessee and Sublessee with respect to the acquisition and construction of the Project, if by so doing it is able to induce the Lessee and Sublessee to proceed with the Project in the Town of Clarence; and

NOW, THEREFORE, THE TOWN OF CLARENCE, ERIE COUNTY, INDUSTRIAL DEVELOPMENT AGENCY HEREBY RESOLVES AS FOLLOWS:

Section 1. The Agency hereby determines that the acquisition, construction and installation of the Project and the financing or other assistance thereof by the Agency pursuant to the New York State Industrial Development Agency Act will promote and is authorized by and will be in furtherance of the policy of the State as set forth in said Act. The Agency further hereby determines, on the basis of the Eligibility Questionnaire and supplemental information furnished by the Lessee and Sublessee, as follows: (a) it would not have financed or otherwise assisted the Project except to induce the location of the Project in the area to be served by the Project as there is a demonstrable need for the Project; (b) that Agency financing and/or other assistance is reasonably necessary to promote economic development and to induce the Lessee and Sublessee to proceed with the Project; (c) there will be no substantial adverse disruption of existing employment or facilities of a similar nature to the Project in such area; (d) the Project will allow the Lessee and Sublessee to expand into the Town of Clarence; (e) the Project will create additional employment and provide substantial capital investment; The Agency further determines, on the basis of the Lessee's Eligibility Questionnaire that; (f) the Project as represented is reasonably necessary to provide the purposes of the Act, subject to verification and confirmation of such representations prior to the into a lease only transaction and (g) the Project is an integral part of the Lessee's and Sublessee's plans to proceed with the Project in the Town of Clarence.

Section 2. The Agency hereby authorizes the Lessee and Sublessee to proceed with the Project as herein authorized, which Project will be accomplished through a lease only transaction without financing.

Section 3. The Chairman, Vice Chairman, Secretary and Assistant Secretary of the Agency and other appropriate officials of the Agency and its agents and employees are hereby authorized and directed to take whatever steps may be necessary to cooperate with the Lessee to assist in the acquisition and construction of the Project.

Section 4. The Lessee is authorized to on the already owned land and buildings located at 4015 Casilio Parkway, Clarence, to commence with the renovation of 1,600 square foot back office; construction of a 1,659 foot addition for lunch/break space and the construction of a 1,500 square foot warehouse addition at 4015 Casilio Parkway, Clarence, authorizes the Lessee and Sublessee to proceed with the acquisition and installation of machinery, equipment, furnishings and fixtures required in connection therewith at combined cost not to exceed \$1,475,000.00, subject to the obtaining of all required approvals from the Town of Clarence and other involved governmental agencies, and to advance such funds as may be necessary to accomplish such purposes. The Agency is hereby authorized to enter into such agreements with the Lessee, as the Chairman, Vice Chairman, Secretary, Assistant Secretary or other officer may deem necessary in order to accomplish the above.

Section 5. The Lessee and Sublessee are authorized to make purchases of goods and services relating to the Project that would otherwise be subject to New York State and local sales and use tax in a combined amount up to \$1,000,000.00 which may result in a New York State and local sales and use tax exemption benefits ("sales and use tax exemption benefits") not to exceed \$87,500.00. The Agency may consider any requests by the Lessee and Sublessee for increases in the amount of sales and use tax benefits authorized by the Agency upon being provided with appropriate documentation detailing the additional purchases of property or services necessary for the completion of the Project.

Section 6. Any such action heretofore taken by the Lessee or Sublessee in initiating the construction and renovation of the Project is hereby ratified, confirmed and approved.

Section 7. Any expenses incurred by the Agency with respect to the Project and the financing thereof shall be paid by the Lessee and/or Sublessee. By acceptance hereof, the Lessee and Sublessee agree to pay such expenses and further agrees to indemnify the Agency, its members, directors, officers, employees and agents and hold the Agency and such persons harmless against claims for losses, damage or injury or any expenses or damages incurred as a result of action taken by or on behalf of the Agency in good faith with respect to the Project and the financing thereof.

Section 8. This resolution is subject to a seven year payment in lieu of tax agreement for municipal services policy of the Agency on the building and thereafter make a full payment in lieu of taxes, estimated to provide \$30,000.00 in real property tax abatement benefits.

Section 9. The execution and delivery of a Project and Agent Agreement, Lease to Agency and a Leaseback Agreement and an Installment Sale Agreement between the Agency and the Lessee, each being substantially in the form approved by the Agency for prior transactions or in form approved by the Chairman, Vice Chairman, Secretary or Assistant Secretary is hereby authorized. The appropriate officers of the Agency are hereby authorized to execute, seal, acknowledge and deliver such agreement and any and all papers, instruments, opinions, certificates, affidavits and other documents and to do and cause to be done any and all acts and things necessary or proper for carrying out this resolution. The execution and delivery of each such instrument shall be conclusive evidence of due authorization and approval.

Section 10. The Agency has made and makes no representation or warranty whatsoever, either express or implied, with respect to the merchantability, condition, environmental status, fitness, design, operation or workmanship of any part of the Project, its fitness for any particular purpose, the quality or capacity of the materials in the Project, or the suitability of the Project for the Lessee's or Sublessee's purposes or needs. The Lessee and Sublessee are satisfied that the Project is suitable and fit for their purposes. The Agency shall not be liable in any manner whatsoever to anyone for any loss, damage or expense of any kind or nature caused, directly or indirectly, by the Project property or the use or maintenance thereof or the failure of operation thereof, or the repair, service or adjustment thereof, or by any delay or failure to provide any such

maintenance, repairs, service or adjustment, or by any interruption of service or loss of use thereof or for any loss of business howsoever caused, and the Lessee and Sublessee hereby indemnify and holds the Agency harmless from any such loss, damage or expense.

Section 11. The provisions of Section 875 of the General Municipal Law apply to this Project . In the event it is determined that an agent, project operator or other person or entity obtained state sales and use exemptions benefits for which they were not entitled or which were in excess of the amount authorized or which are for property or services not authorized or taken in cases where such Lessee or Sublessee, their agents, project operators or other person or entity failed to comply with a material term or condition to use property or services in the manner required by Agreements entered into between the Agency and the applicant with respect to the Project, the agent, project operator or other person or entity shall comply with all the provisions of Section 875 and pay back to the Agency the amount of the state sales and use tax exemptions benefits that they obtained but were not entitled to.

Section 12. The provisions of the Agency's Policy for Recapture and/or Termination or Modification of Financial Assistance shall be applicable to this Project.

Section 13. Should the Agency's participation in this Project be challenged by any party, in the courts or otherwise, the Lessee and Sublessee shall defend, indemnify and hold harmless the Agency and its members, officers and employees from any and all losses arising from such challenge, including, but not limited to, the fees and disbursements of the Agency's counsel. Should any court of competent jurisdiction determine that the Agency is not authorized under Article 18-A of the General Municipal Law to participate in the Project, this resolution shall automatically become null, void and of no further force and effect, and the Agency shall have no liability to the Lessee and/or Sublessee hereunder or otherwise.

Section 14. This resolution is subject to compliance with all local building and zoning requirements.

Section 15. The Agency has reviewed the Type II declaration adopted by the Planning Board of the Town of Clarence determining that the proposed action will not have a significant impact on the environment and that a draft environmental impact statement will not be required to be prepared and the Agency hereby determines, based upon information furnished to the Agency by the Town of Clarence and such other information as the Agency has deemed necessary to make this determination, that the Project does not require the preparation of an environmental impact statement under the State Environmental Quality Review Act, being Article 8 of the New York State Environmental Conservation law, as the contemplated actions will not have a significant effect on the environment and the Agency hereby confirms the negative declaration previously adopted by the Town of Clarence attached hereto and made a part hereof.

Section 16. This Resolution shall take effect immediately and shall continue in full force and effect for one (1) year from the date hereof and on or after such one (1) year anniversary, the Agency may, at its option (a) terminate the effectiveness of this Resolution (except with respect to the obligations of the Lessee and Sublessee pursuant to Sections 7, 10, 11, 12, and 13 of this Resolution which shall survive any expiration or termination) or (b) allow the Lessee and Sublessee additional time in which to close the transactions contemplated by this Resolution based upon affirmative actions taken by the Lessee and Sublessee to complete such transactions. Upon any allowance of additional time to close, the Agency may charge the Lessee and Sublessee an extension fee in accordance with the Agency's fee schedule.

ADOPTED: October 21, 2022

ACCEPTED:

PENMAN ENTERPRISES LLC

as Lessee

By \_\_\_\_\_

Name:

Title:

SEAL & DESIGN INC.,

as Sublessee

By \_\_\_\_\_

### **SALES TAX EXEMPTION EXTENSION RESOLUTION**

Name:

#### **RESOLUTION OF THE TOWN OF CLARENCE, ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY (THE "AGENCY") EXTENDING THE SALES TAX PERIOD FOR PENMAN ENTERPRISES, LLC AND SEAL & DESIGN, INC. (THE "LESSEE") UNTIL APRIL 19, 2024**

WHEREAS, PENMAN ENTERPRISES, LLC AND SEAL & DESIGN INC. (the "Lessee" and the "Sublessee") have entered into negotiations with the officials of the Town of Clarence, Erie County, Industrial Development Agency (the "Agency") with respect to the renovation and equipping of 1,600 square foot back office; construction and equipping of a 1,659 foot addition for lunch/break space and the construction and equipping of a 1,500 square foot warehouse addition at 4015 Casilio Parkway, Clarence, as agent for the agency for lease to the agency and subsequent leaseback to the Lessee and further sublease to the Sublessee (the "Project"); and

NOW, THEREFORE, BE IT RESOLVED BY THE AGENCY AS FOLLOWS:

**1. The Agency does hereby extend the sales tax period for the Lessee and Sublessee from October 29, 2023 to April 19, 2024 contingent upon the closing of the Lease / Leaseback transaction closing on October 19, 2023.**

2. This resolution shall take effect immediately.

ADOPTED: October 19, 2023

ACCEPTED:

NMAN ENTERPRISES, LLC

By \_\_\_\_\_

Dean S. Penman, Member

SEAL & DESIGN INC.

By \_\_\_\_\_

(Signed Resolution on File)

Dean S. Penman

Title: President