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# APPLICATION FOR FINANCIAL ASSISTANCE

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## Oneida County Industrial Development Agency

153 Brooks Road  
Rome, New York 13441-1405  
(315) 338-0393 telephone  
(315) 338-5694 fax

Shawna M. Papale, Executive Director

*A non-refundable application fee of \$250.00 must be submitted at the time of application, to be credited to the Company at closing.*

*Please submit the original application and sixteen copies.*

*All applications must be submitted 10 days prior to meeting.*

American Alloy Steel, Inc.

Name of Applicant

Number (to be provided by the agency)

**Note to Applicant:**

The information requested by this form is necessary to determine the eligibility of your project for Agency benefits. Please answer **all** questions, inserting "none" or "not applicable" where appropriate. If you are providing an estimate, please indicate by inserting "est" after the figure. Attach additional sheets if more space is needed for a response than is provided.

Return the original application and sixteen copies with a check in the amount of \$250.00 made payable to: **Oneida County Industrial Development Agency**, 153 Brooks Road, Rome, New York 13441-1405, Attn.: Shawna M. Papale, Executive Director.

All information contained in this application will be treated confidentially, to the extent permitted by law. Be advised that any action brought before the OCIDA is public information. All agenda's for the OCIDA are issued prior to full agency meetings and posted in public domain

By signing and submitting this Application, the Applicant acknowledges that it received a copy of the Uniform Tax Exemption Policy adopted by the Agency and Agency Memorandums pertaining to the benefits of projects financed through the Agency.

A project financed through the Agency involves the preparation and execution of significant legal documents. Please consult with an attorney before signing any documents in connection with the proposed project.



2(a) Provide the following information with respect to parties with 15% or more in equity holdings:

<u>Name</u>	<u>Home Address</u>	<u>Social Security No.</u>	<u>Percentage of Ownership</u>
The Art and Mary Ellen Moore Family Partnership, Ltd. Owed by the following individuals:			77.35%
Arthur J. Moore	13327 Indian Creek Houston, TX 77079	438-30-7420	24%
Kathleen Covey	15851 Jaime Lee Dr. Houston, TX 77095	455-94-8763	18.75%
Barbara Kibling	10958 Keystone Fairway Houston, TX 77095	460-27-7823	18.75%
James Patrick Moore	11006 Sherwood Ridge Dr. Houston, TX 77043	461-96-7131	18.75%**
John Moore	13914 Tree Crossing San Antonio, TX 78247	461-96-7130	18.75%

\*\*James Patrick Moore also owns 8.09% of the shares outside of the Moore Family Partnership making his total percentage 26.84%.

2(b) Is the Applicant, or any of the individuals listed in 2(a) above, related directly or indirectly to any other entity by more than 50% common ownership? If so, indicate name of such entity and the relationship.

Yes, Arthur J. Moore owns:

Chickadee Properties, LP

Moore Services, Inc.

American Alloy Steel, Inc. owns:

American Alloy Steel of Canada, Inc.

2(c) Is the Applicant affiliated with any other entity, directly or indirectly, other than as listed in the response to 2(a) above? If yes, please indicate name and relationship of such other entity and the address thereof:

None.

**Applicant's Counsel and Accountant**

3(a). Applicant's Attorney

Name/Title: Walter Wright  
Firm: Levy and Wright  
Address: 11304 Stormy Ridge Road  
Austin, TX 78739-4331  
Telephone/Fax: 512-292-1944 phone  
512-282-6290 fax

3(b) Applicant's Accountant

Name/Title: Arnold Lipp-Tax  
Raymie Daroga-Audit  
Firm: UHY Advisors  
Address: 12 Greenway Plaza, Suite 800  
Houston, TX 77046  
Telephone/Fax: 713-960-1706 phone  
713-960-9549 fax

**Business Description**

4(a) Describe the nature of your business and principal products and/or services. Attach additional sheets if necessary.

- Wholesale distributor of steel and full service center.
- Sell various grades and thicknesses of carbon and alloy plates and roundbar.
- Custom flame cutting.

## Part II: Project Information

5(a) Explain your project in detail. This description should include explanation of all activities which will occur due to this project. Attach additional sheets if necessary.

American Alloy Steel, Inc. is purchasing property in Rome that is being prepared for the building of an industrial facility suited for the storage of heavy steel plate. A double bay warehouse and office building for approximately 57,000 sq. ft. is being built for storage of steel plate and the custom flame cutting operation.

### Reasons for Project

6(a) Please explain in detail why you want to undertake this project.

American Alloy Steel, Inc. (AASI) has been in the Rome, NY area for 18 years. The company has been leasing a facility for this period of time. The decision has been made for AASI to purchase property in Rome and build a facility that suits the needs of the company. The facility that has been leased is an older facility with limited space. Additional space is needed for the operations, sales and administrative groups.

6(b) Why are you requesting the involvement of the Agency in your project?

We are trying to keep the business in NY. We are interested in the tax incentives available.

6(c) How will the Applicant's plans be affected if Agency approval is not granted?

We will have to evaluate the location and evaluate other states.

6(d) Is the proposed project reasonably necessary to discourage the Applicant from removing such other plant or facility to a location outside the State of New York?

Yes  No **If yes**, please explain briefly.

We have been operating in NY for 18 years and would like to continue in the same area.

Is the proposed project reasonably necessary to preserve the competitive position of the Applicant in its respective industry?  Yes  No **If yes**, please explain briefly.

We need a larger building to stock more material due to our growth.

6(e) Will financing by the Agency result in the removal or abandonment of a plant or other facility of the applicant or any related entity presently located in another area of New York State?

Yes  No **If yes**, please explain briefly the reason for the move.

6(f) Has the Applicant or any related entity previously secured financial assistance in Oneida County (whether through the Agency, the Empire State Development Corporation, or any other entity)?  Yes  No

**If yes**, please explain (indicate date of benefit, location of facility and outstanding balance).

6(g) Has the Applicant or any related entity secured financial assistance anywhere within the United States within the last 90 days or does the Applicant or any related entity anticipate receiving financial assistance within the next 90 days?  Yes  No

**If yes**, please explain.

6(h) Check all categories best describing the **type of project**:

- Manufacturing
- Industrial Assembly or Service
- Research and Development
- Warehousing
- Commercial or Recreational
- Pollution Control (specify) \_\_\_\_\_
- Other (specify) \_\_\_\_\_

6(i) Check all categories best describing the **scope of the project**:

- Acquisition of land
- Acquisition of existing building
- Renovations to existing building
- Construction of addition to existing building
- Demolition of existing building
- Construction of a new building
- Acquisition of machinery and/or equipment
- Installation of machinery and/or equipment
- Other (specify) \_\_\_\_\_

6(j) Please indicate the financial assistance you are requesting of the Agency, and provide the estimated value of said assistance.

<b>Assistance</b>	<b>Estimated Value</b>
<input checked="" type="checkbox"/> Real Property Tax Abatement \$541,000 Total Project	\$ <u>90,540</u>
<input checked="" type="checkbox"/> Mortgage Tax Exemption %1% of mortgage Financing	\$ <u>6,000</u>
<input checked="" type="checkbox"/> Sales and Use Tax Exemption 100% exempt 8 ¾ % 40% of construction cost	\$ <u>80,325</u>
<input type="checkbox"/> Issuance by the Agency of Tax Exempt Bonds	\$ <u>0</u>



**Part III: Facility Information**

**Facility (Physical Information) If multiple locations please provide information on all.**

7(a) Street Address of Facility:

600 Railroad Street

7(b) City, Town and/or Village:

Rome, NY 13440

*(Note: It is important that you list **all** incorporated municipalities in which the facility lies. This information will be used in scheduling a public hearing as required by statute.)*

7(c) School District:

Rome, NY 13440

7(d) Tax Account Number(s):

242.020-0001-018.002

**Attached copies of the most recent real property tax bills. Include copies for all taxing jurisdiction for the site/ facility that IDA assistance is being sought.**

7(e) For what purpose was the facility site most recently used (i.e., light manufacturing, heavy manufacturing, assembly, etc.)?

Heavy Manufacturing

7(f) Zoning Classification of location of the project:

Manufacturing

7(g) Please describe in detail the facility to be acquired, constructed or renovated (including number of buildings, square footage, number of floors, type of construction,) and attach plot plans, photos or renderings, if available. ***Please be as specific as possible.***

The operations will be in a 52,800 sq. ft. building with two 60x440 bays. It is a Butler Steel engineered warehouse building with four 20-ton overhead cranes. The office is in a 4,000 sq. ft. building that is attached to the warehouse. It is a one-story building. There will be an outside concrete area for the storage of steel plates. There will be parking lots for employee parking and visitor parking. Both buildings are on 5.962 acres of land.

7(h) Has construction or renovation commenced?  Yes  No

If **yes**, please describe the work in detail, including the date of commencement.

If **no**, indicate the estimated dates of commencement and completion:

Construction commencement: October 2008

Construction completion: May 2009

7(i) Will the construction or operation of the facility or any activity which will occur at the site require any local ordinance or variance to be obtained or require a permit or prior approval of any state or federal agency or body (other than normal occupancy and/or construction permits)?

Yes  No

If **yes**, please describe.

7(j) Will the project have a significant effect on the environment?  Yes  No

**Important: please attach Environmental Assessment Form to this Application.**

7(k) What is the useful life of the facility? 50 years

7(l) Is the site in an Empire Zone?  Yes  No

If yes, which Empire Zone: Rome

Is the business Empire Zone certified at this location:  Yes  No

Attached a copy of the last Business Annual Report filed. If not certified, explain why not:  
Empire Zone Report

**Facility (Legal Information)**

8(a) With respect to the **present owner** of the facility, please give the following information:  
*(Note: the present owner is not necessarily the user of the facility, but that party which holds legal title to the facility.)*

Legal Name: American Alloy Steel, Inc.  
Address: 6230 North Houston Rosslyn Road  
Houston, TX 77091  
Telephone: 713-462-8081  
Balance of Mortgage: 0  
Holder of Mortgage: 0

If the Applicant is not the present owner of the facility, please attach any written agreements and contracts concerning the acquisition of the real property and/or equipment.

8(b) Is there a legal relationship, directly or indirectly, by virtue of common control or through related persons, between the Applicant and the present owner of the facility?  
 Yes  No. If yes, please explain.

Chickadee Properties, LP, the owner of the property, is owned 100% by Arthur J Moore. Arthur J Moore is a part owner in American Alloy Steel, Inc.

8(c) Will a related real estate holding company, partnership or other entity, be involved in the ownership structure of the transaction?  
 Yes  No. If yes, please explain.

Chickadee Properties, LP will own the property and lease it to American Alloy Steel, Inc.

8(d) Will the title owner of the facility/ property also be the user of the facility?  
 Yes  No. If no, please explain.

Chickadee Properties, LP is the owner of the facility. This entity is leasing the facility to American Alloy Steel, Inc.

8(e) Is the Applicant currently a tenant in the facility?  Yes  No

8(f) Are you planning to use the entire proposed facility?  
[ X ] Yes [ ] No

If no, please give the following information with respect to tenant(s) which will remain in the facility after the completion of the project:

<u>Name of Tenant</u>	<u>Floors Occupied</u>	<u>Square Feet Occupied</u>	<u>Nature of Business</u>
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8(g) Are any of the tenants related to the owner of the facility?  
[ X ] Yes [ ] No  
If yes, please explain.

Sole tenant will be American Alloy Steel, Inc. There is common ownership as documented in 8 above.

8(h) Will there be any other users other than the applicant to the IDA be utilizing the facility?  
[ ] Yes [ X ] No  
If yes, please explain. Provide detail of the contractual arrangement including any financial exchange for the use of the site or property.

### Equipment

9(a) List the principal items or categories of equipment to be acquired as part of the project. (As soon as one is available but prior to final authorizing resolution, please submit a detailed inventory of said equipment.)

- 4-Overhead Cranes
- 1-Forklifts 25 ton
- 1 Burning Machine (Multi torch), 1 burning table

9(b) Please provide a brief description of any equipment which has already been purchased or ordered, attach all invoices and purchase orders, list amounts paid and dates of expected delivery. Attach a sheet if needed.  
None

9(c) What is the useful life of the equipment? 10 to 20 years

**Part IV: Employment Information**

10(a) Estimate how many construction and permanent jobs will be created or retained as a result of this project.

Construction Jobs None

Permanent Jobs to be created by Project at Applicant's facility 12-15

Permanent Jobs to be retained by Project at Applicant's facility 12-15

10 (b) What is the applicant entity's current level of employment in Oneida County at the time of application.

At location to be assisted with the requested IDA benefits 21

Other locations in Oneida County None

## Part V: Estimated Project Cost and Financing

11(a) List the costs necessary for the construction, acquisition or renovation of the facility. Do **not** include working capital needs, moving expenses, work in progress, stock in trade, Applicant's debt repayment, real estate broker fees or your legal fees.

Acquisition of Land	\$ 150,000
Acquisition of Building(s)	0
Renovation Costs	0
New Construction of Buildings	1,250,000
Slab/Piling	450,000
Machinery and Equipment (other than furniture costs)	920,000
Cranes	600,000
Forklift	200,000
Burning Machine	100,000
Table	20,000
Fixtures/Office	50,000
Installation Costs	
Fees (other than your own broker and legal fees): BTS - General Contractor	200,000
Legal Fees	50,000
Architectural/Engineering	75,000
Interest on Interim Financing	0
Other (specify) Railroad Spur	220,000
Subtotal	\$3,365,000
Agency Fee	<u>5,000</u>
<b>Total Project Cost</b>	<b>\$3,370,000</b>

11(b) What amount of the Total Project Cost is the Applicant requesting financing by the Agency?

0

**Real Estate Taxes**

12(a) For each tax parcel which comprises the facility, please provide the following information, using figures from the most recent tax year:

<b>Tax Acct #</b>	<b>Current Assessed Value (Land)</b>	<b>Current Assessed Value (Building)</b>	<b>Real Estate Taxes</b>
242.020-0001-018.002	150,000	2,295,000	90,540

12(b) Address of Receiver of Town and/or Village Taxes:

Office of the City Treasurer  
Rome City Hall  
198 N. Washington St.  
Rome, NY 13440

12(c) Address of Receiver of School Taxes:

Office of the City Treasurer  
Rome City Hall  
198 N. Washington St.  
Rome, NY 13440

12(d) Will the completion of the proposed project result in the increase of the assessment of any of the parcels named above?  Yes  No

If yes, please indicate which tax account numbers will be affected.

242.020-001-018.002

### **Financial Information**

13(a) Has the Applicant contacted any bank, financial/lending institution or private investor with respect to the financing of the proposed project?  
 Yes  No

If yes, please provide details.

13(b) Has the Applicant received a commitment letter for said financing?  
 Yes  No

If yes, please submit a copy of said commitment letter along with this Application.

13(c) Please complete the Cost/Benefit Analysis form and attach to this Application.



## REPRESENTATIONS AND CERTIFICATION BY APPLICANT

The undersigned requests that this Application be submitted for review to the Oneida County Industrial Development Agency's Board of Directors.

Approval of the Application can be granted solely by this Agency's Board of Directors. The undersigned acknowledges that Applicant shall be responsible for all costs incurred by the Agency and its counsel in connection with the attendant negotiations whether or not the transaction is carried to a successful conclusion.

The Applicant further understands and agrees with the Agency as follows:

1. **Annual Sales Tax Filings.** In accordance with Section 858-b(2) of the New York General Municipal Law, the Applicant understands and agrees that, if the Project receives any sales tax exemptions as part of the Financial Assistance from the Agency, in accordance with Section 874(8) of the General Municipal Law, the Applicant agrees to file, or cause to be filed, with the New York State Department of Taxation and Finance, the annual form prescribed by the Department of Taxation and Finance, describing the value of all sales tax exemptions claimed by the Applicant and all consultants or subcontractors retained by the Applicant.
2. **Annual Employment Reports.** The Applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, the Applicant agrees to file, or cause to be filed, with the Agency, on an annual basis, reports regarding the number of people employed at the project site as well as tax benefits received with the action of the OCIDA.
3. **Absence of Conflict of Interest.** The Applicant has received from the Agency a list of the members, officers and employees of the Agency. No member, officer, or employee of the Agency has an interest, whether direct or indirect, in any transaction contemplated by this Application, except as herein after described:
4. **Hold Harmless.** Applicant hereby releases Oneida County Industrial Development Agency and the members, officers, servants, agents and employees thereof (the "Agency") from, agrees that the Agency shall not be liable for and agrees to indemnify, defend and hold the Agency harmless from and against any and all liability arising from or expense incurred by (A) the Agency's examination and processing of, and action pursuant to or upon, the attached Application, regardless of whether or not the Application or the Project described therein or the tax exemptions and other assistance requested therein are favorably acted upon by the Agency, (B) the Agency's acquisition, construction and/or installation of the Project described therein and (C) any further action taken by the Agency with respect to the Project; including without limiting the generality of the foregoing, all causes of action and attorneys' fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. If, for any reason, the Applicant fails to conclude or consummate necessary negotiations, or fails, within a reasonable or specified period of time, to take reasonable, proper or requested action, or withdraws, abandons, cancels or neglects

the Application, or if the Agency or the Applicant are unable to reach final agreement with respect to the Project, then, and in the event, upon presentation of an invoice itemizing the same, the Applicant shall pay to the Agency, its agents or assigns, all costs incurred by the Agency in the processing of the Application, including attorneys' fees, if any.

5. The applicant acknowledges that the OCIDA has disclosed that the actions and activities of the OCIDA are subject to the Public Authorities Accountability Act signed into law January 13, 2006 as Chapter 766 of the 2005 Laws of the State of New York.

The Applicant and the individual executing this Application on behalf of the Applicant acknowledge that the Agency will rely on the representations made herein when acting on this Application and hereby represent that the statements made herein do not contain any untrue statement of a material fact and do not omit to state a material fact necessary to make the statements contained herein not misleading.

American Alloy Steel, Inc.  
(Applicant)

By: 

Name: Arthur J Moore

Title: President

Date: 10/6/08

Return the original and sixteen copies of the application with a check in the amount of \$250.00 made payable to: **Oneida County Industrial Development Agency**, 153 Brooks Road, Rome, New York 13441-1405, Attn.: Shawna M. Papale, Secretary.

Revised: SP 1/25/07