

Town of Islip Industrial Development Agency

40 Nassau Ave, Islip, New York

Office - 631-224-5512/Fax – 631-224-5532

www.IslipIDA.com

APPLICATION FOR FINANCIAL ASSISTANCE

DATE: 3-28-17

APPLICATION OF: Smart USA Inc.

Name of Owner and/or User of Proposed Project

ADDRESS: 69-07 69th Place

Glendale, NY 11385

Type of Application: ☐ Tax-Exempt Bond ☐ Taxable Bond

☒ Straight Lease ☐ Refunding Bond

Part I: Owner & User Data

1. Owner Data:

A. Owner (Applicant for assistance): Smart USA Inc.

Address: 69-07 69th Place
Glendale, NY 11385

Federal Employer ID # [REDACTED]

Website: _____

NAICS Code: [REDACTED]

Owner Officer Certifying Application: Jamshid Soleimany- Kashi

Title of Officer: President

Phone Number: [REDACTED]

E-mail: [REDACTED]

B. Business Type:

Sole Proprietorship

Partnership ☐Privately Held ☐Public Corporation ☐

Listed on

State of Incorporation/Formation: **New York**

C. Nature of Business:

(e.g., “manufacturer of _____ for _____ industry”; “distributor of _____”; or “real estate holding company”)

Manufacture of aluminum and plastic food containers for the food service Industry

D. Owner Counsel:

Firm Name: Cox Padmore Skolnik & Shakarchy LLP

Address: 630 Third Ave
New York, NY 10017

Individual Attorney: **Jacob S. Shakarchy**

Phone Number: [REDACTED]

E-mail: [REDACTED]

E. Principal Stockholders, Members or Partners, if any, of the Owner (5% or more equity):

Name	Percent Owned
Jamshid Soleimany-Kashi	60%
Yoseph Soleimany	40%

F. Has the Owner, or any subsidiary or affiliate of the Owner, or any stockholder, partner, member, officer, director or other entity with which any of these individuals is or has been associated with:

- i. ever filed for bankruptcy, been adjudicated bankrupt or placed in receivership or otherwise been or presently is the subject of any bankruptcy or similar proceeding? (if yes, please explain)

N/A

- ii. been convicted of a felony, or misdemeanor, or criminal offense (other than a motor vehicle violation)? (if yes, please explain)

N/A

G. If any of the above persons (see "E", above) or a group of them, owns more than 50% interest in the Owner, list all other organizations which are related to the Owner by virtue of such persons having more than a 50% interest in such organizations.

Xpress Distribution Inc.

H. Is the Owner related to any other organization by reason of more than a 50% ownership? If so, indicate name of related organization and relationship:

Same as G

I. List parent corporation, sister corporations and subsidiaries:

N/A

- J. Has the Owner (or any related corporation or person) been involved in or benefited by any prior industrial development financing in the municipality in which this project is located, whether by this agency or another issuer? (Municipality herein means city, town or village, or if the project is not in an incorporated city, town or village, the unincorporated areas of the county in which it is located.) If so, explain in full:

N/A

- K. List major bank references of the Owner:

HSBC Bank USA, N.A

2. User Data

*** (for co-applicants for assistance or where a landlord/tenant relationship will exist between the owner and the user) ***

- A. User (together with the Owner, the "Applicant"): Smart USA Inc

Address: 69-07 69th Place

Glendale, NY 11385

Federal Employer ID #: [REDACTED]

Website: [REDACTED]

NAICS Code [REDACTED]

User Officer Certifying Application: Jamshid Soleimany-Kashi

Title of Officer: President

Phone Number [REDACTED]

E-mail: [REDACTED]

- B. Business Type:

Sole Proprietorship ☒

Partnership ☐

Privately Held ☐

Public Corporation ☐

Listed on [REDACTED]

State of Incorporation/Formation: New York

- C. Nature of Business:

(e.g., "manufacturer of _____ for _____ industry"; "distributor of _____"; or "real estate holding company")

Manufacturer of aluminum and plastic food containers for the food service industry

D. Are the User and the Owner Related Entities? Yes ☒ No ☐

i. If yes, the remainder of the questions in this Part I, Section 2 (with the exception of "F" below) need not be answered if answered for the Owner.

ii. If no, please complete all questions below.

E. User's Counsel:

Firm Name: _____

Address: _____

Individual Attorney: _____

Phone Number: _____

E-mail: _____

F. Principal Stockholders or Partners, if any (5% or more equity):

Name	Percent Owned
Jamshid Soleimany-Kashi	60%
Yoseph Soleimany	40%
_____	_____
_____	_____

G. Has the User, or any subsidiary or affiliate of the User, or any stockholder, partner, officer, director or other entity with which any of these individuals is or has been associated with:

i. ever filed for bankruptcy, been adjudicated bankrupt or placed in receivership or otherwise been or presently is the subject of any bankruptcy or similar proceeding? (if yes, please explain)

-

ii. been convicted of a felony or criminal offense (other than a motor vehicle violation)? (if yes, please explain)

-

- H. If any of the above persons (see "E", above) or a group of them, owns more than 50% interest in the User, list all other organizations which are related to the User by virtue of such persons having more than a 50% interest in such organizations.

-

- I. Is the User related to any other organization by reason of more than a 50% ownership? If so, indicate name of related organization and relationship:

-

- J. List parent corporation, sister corporations and subsidiaries:

-

- K. Has the User (or any related corporation or person) been involved in or benefited by any prior industrial development financing in the municipality in which this project is located, whether by this agency or another issuer? (Municipality herein means city, town or village, or if the project is not in an incorporated city, town or village, the unincorporated areas of the county in which it is located.) If so, explain in full:

-

- L. List major bank references of the User:

-

Part II – Operation at Current Location

***** (if the Owner and the User are unrelated entities, answer separately for each) *****

1. Current Location Address: 69-07 69th Place, Glendale, NY 11380
2. Owned or Leased: Owned
3. Describe your present location (acreage, square footage, number buildings, number of floors, etc.):
43,000 square foot 1 story building on 1.5 acres

-
4. Type of operation (manufacturing, wholesale, distribution, retail, etc.) and products and/or services:

manufacturing of aluminum and plastic food containers for the food service industry

5. Are other facilities or related companies of the Applicant located within the State?

Yes ☒ No ☐

A. If yes, list the Address: 69-07 69th Place. Glendale, Ny 11385

6. If yes to above ("5"), will the completion of the project result in the removal of such facility or facilities from one area of the state to another OR in the abandonment of such facility or facilities located within the State? Yes ☐ No ☒

A. If no, explain how current facilities will be utilized: The current facility will be utilized by the company called Xpress Distribution, Inc

which distributes medical supplies

- B. If yes, please indicate whether the project is reasonably necessary for the Applicant to maintain its competitive position in its industry or remain in the State and explain in full:

-
7. Has the Applicant actively considered sites in another state? Yes ☒ No ☐

A. If yes, please list states considered and explain: See Attached

-
8. Is the requested financial assistance reasonably necessary to prevent the Applicant from moving out of New York State? Yes ☒ No ☐

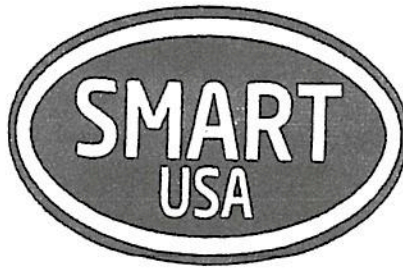
A. Please explain:

See Attached

-
9. Number of full-time employees at current location and average salary: _____

11 current employees, \$11.00 to \$20.00 an hour

Part III – Project Data



Part II- OPERATION AT CURRENT LOATION

Question Number 7. Has Applicant actively considered sites in another state?

Yes: Company has looked t properties in New Jersey.

We investigated sites in New Jersey because we knew it would not have any adverse effect on the company to be outside of New York. We found that the cost of comparable industrial space was at the fraction of the cost compared to New York along with lower operating cost. New Jersey Economic Development Authority would provide a company looking to move into their state with many programs for a manufacturers such as Grow New Jersey (Corporate Tax credits), Direct Loan program, Premier Loan Program , Urban Enterprise Sales Tax exemption.

Question Number 8. Is the requested financial assistance reasonably necessary to prevent the Applicant from moving out if New York State.

Yes. The request is not only reasonably necessary it is necessary to prevent the company from moving out of New York. The cost of carrying the real property, (conventional financing) coupled with the ancillary cost of operating in New York which is one of the highest in the country is a lot for a company to bear. The upfront capital cost and associated increases in tax liabilities would greatly diminish our ability to remain competitive and grow.

1. Project Type:

A. What type of transaction are you seeking?: (Check one)

Straight Lease ☒ Taxable Bonds ☐ Tax-Exempt Bonds ☐
Equipment Lease Only ☐

B. Type of benefit(s) the Applicant is seeking: (Check all that apply)

Sales Tax Exemption ☒ Mortgage Recording Tax Exemption ☒
PILOT Agreement: ☒

2. Location of project:

A. Street Address: 1440 5th Ave Bay Shore, NY

B. Tax Map: District 500 Section 266 Block 3 Lot(s) 72.9

C. Municipal Jurisdiction:

i. Town: Islip
ii. Village: N/A
iii. School District: Bay Shore

D. Acreage: 2.92

3. Project Components (check all appropriate categories):

A. Construction of a new building ☐ Yes ☒ No

i. Square footage: _____

B. Renovations of an existing building ☐ Yes ☒ No

i. Square footage: _____

C. Demolition of an existing building

i. Square footage: N/A

D. Land to be cleared or disturbed ☐ Yes ☒ No

i. Square footage/acreage: _____

E. Construction of addition to an existing building ☐ Yes ☒ No

i. Square footage of addition: _____

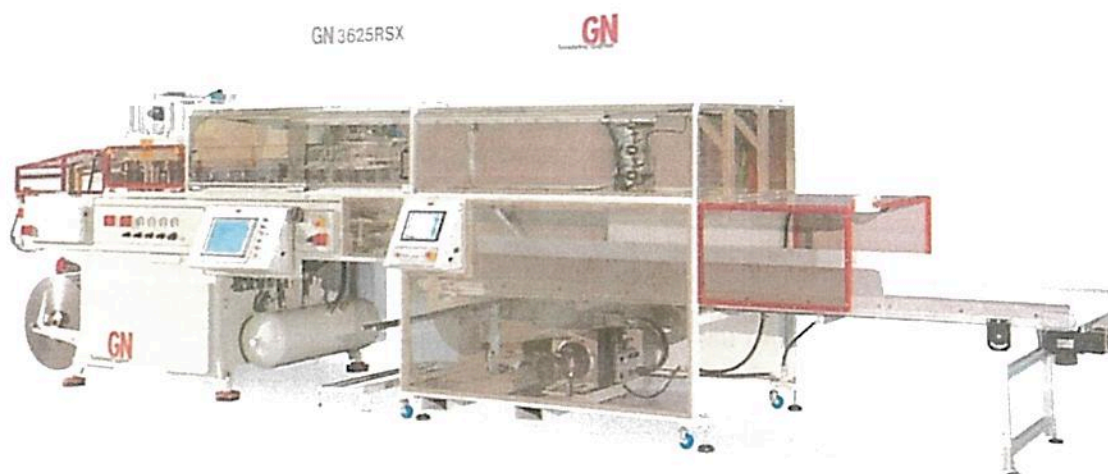
ii. Total square footage upon completion: _____

F. Acquisition of an existing building ☒ Yes ☐ No

i. Square footage of existing building: est: 49,120 square feet

G. Installation of machinery and/or Equipment ☒ Yes ☐ No

i. List principal items or categories of equipment to be acquired: See Attached

Project InformationGN3625DX High Speed Pressureformer


Basic machine data:

- Forming area: Maximum 915 mm x 635 mm (36"x 25")
- Depth of draw: Maximum 125 mm (5")
- Cut length for APET: Maximum 10500 mm (413")
- Cut length for other thermoformable materials: Maximum 11430mm (450")
- Material width: Maximum 965mm (38")
- Material roll diameter: Maximum 711mm (28")
- Material thickness range: 0.15mm - 1.00mm (0.006" - 0.040")
- Electrical supply: 380V to 480V / 24 Volt DC Control Voltage
- Power consumption: 12 Kilowatts / hr (approximate)
- Air pressure: Minimum 6.8 bar (100 PSI)
- Air consumption: Approximate 2300 litres/min (80 CFM)
- Cooling water consumption: 14 litres/min @ 15°C - 20°C (3 gal/min @ 58°F - 68°F)
- Dimensions: 3200mm x 2100mm x 2210mm (126" x 83" x 87")
- Weight: 5987 Kg (13200 Lbs)

The GN3625DX is a High Quality Thermoformer with increased cutting capacity for processing APET sheet. It includes servo motors and combined with a large forming area, this thermoformer ensures maximum cycle speed and efficiency.

As all GN Thermoformers, the GN3625DX includes In-Mould Cut accuracy and is designed for 24-hour operation with minimal maintenance.

KEY BENEFITS

- High production speed
- In-mould-cut
- PLC controlled
- Oversized tiebars
- Double toggle system
- Mould base features power lift and complete temperature control system
- Automatic unwind and rewind equipment for material and web
- Roll elevator with finger tip control
- Sheet pre-heater
- 3-Zone heating
- Static reduction system
- Machine manual
- CE, CSA and NRTL/C certified, 
- ISO 9001:2008

4. Current Use at Proposed Location:

A. Does the Applicant currently hold fee title to the proposed location?

i. If no, please list the present owner of the site: 1440 D&H Realty LLC

B. Present use of the proposed location: _____

Manufacture- Printing of Signs

C. Is the proposed location currently subject to an IDA transaction (whether through this Agency or another?) ☐ Yes ☒ No

i. If yes, explain: _____

D. Is there a purchase contract for the site? (if yes, explain): ☐ Yes ☒ No

E. Is there an existing or proposed lease for the site? (if yes, explain): ☐ Yes ☒ No

5. Proposed Use:

A. Describe the specific operations of the Applicant or other users to be conducted at the project site: _____

See Attached

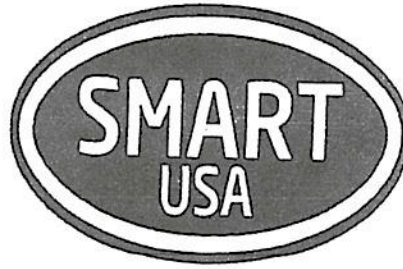
B. Proposed product lines and market demands: _____

See Attached

C. If any space is to be leased to third parties, indicate the tenant(s), total square footage of the project to be leased to each tenant, and the proposed use by each tenant:

N/A

D. Need/purpose for project (e.g., why is it necessary, effect on Applicant's business):



Part III- Project Data

Section 5 Proposed Use.

- A. Describe the specific operations of the Applicant or other users to be conducted at the project site:

Smart USA, Inc. Is a manufacturer of aluminum and plastic containers for the food service industry. The company purchases the pre lubricated aluminum rolls from supplies in the United States and China. We have our aluminum foil lubricated so that it can be used by the regular market as well as the Kosher market. The very large rolls of aluminum are shipped to our facility. The pre lubricated rolls are fed through the machine and the product is stamped out. Every line has a stacker which counts the product and pushes out when it is done. It is then inspected for quality and then packed and then shipped to our distributors.

- B. Proposed product lines and market demands

Two things to be noted: First; The company will maintain manufacturing our product lines of the 30 different style aluminum containers and 10 style plastic containers but now since we will have the room we can increase the production which will enable us to compete with our competitors which have deeper product base facility which in turn will allow us to reach a larger market.

Second: Since the company will now have the space which can accommodate new machinery we will be adding to our product line the manufacturing of aluminum foil rolls under Smart USA which will also allow us to reach a larger market.

See Attached

E. Will any portion of the project be used for the making of retail sales to customers who personally visit the project location? Yes ☐ No ☒

i. If yes, what percentage of the project location will be utilized in connection with the sale of retail goods and/or services to customers who personally visit the project location? _____

6. Project Work:

A. Has construction work on this project begun? If yes, complete the following:

i.	Site Clearance:	Yes <input type="checkbox"/>	No <input type="checkbox"/>	% COMPLETE	N/A
ii.	Foundation:	Yes <input type="checkbox"/>	No <input type="checkbox"/>	% COMPLETE	N/A
iii.	Footings:	Yes <input type="checkbox"/>	No <input type="checkbox"/>	% COMPLETE	N/A
iv.	Steel:	Yes <input type="checkbox"/>	No <input type="checkbox"/>	% COMPLETE	N/A
v.	Masonry:	Yes <input type="checkbox"/>	No <input type="checkbox"/>	% COMPLETE	N/A
vi.	Other:	_____			

B. What is the current zoning?: Industrial 1

C. Will the project meet zoning requirements at the proposed location?

Yes ☒ No ☐

D. If a change of zoning is required, please provide the details/status of the change of zone request: N/A

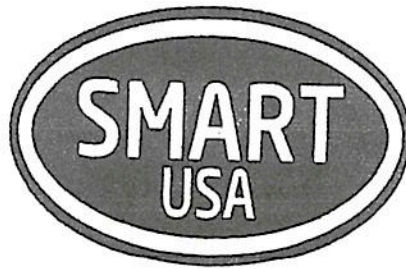
E. Have site plans been submitted to the appropriate planning department? Yes ☐ No ☒

7. Project Completion Schedule:

A. What is the proposed commencement date for the acquisition and the construction/renovation/equipping of the project?

i. Acquisition: May 2017

ii. Construction/Renovation/Equipping: Equipping June 2017



PROPOSED USE: QUESTION D

Need/purpose, why is it necessary, effect on Applicant's business.

The project is to purchase the property known as 1440 5th Ave to operate and expand Smart USA Inc.

Smart USA Inc. needs to be able to compete on a par with other companies such as Handy Foil of America, Tactiv and Trinidad Benham.

Our three main competitors have a deeper product base than Smart USA and the reason why is lack of space that we are presently operating in. We presently are located at 69-07 69th Place Glendale NY where we occupy 15,000 square feet of a 43,000 square foot one story facility which we share with another company Xpress Distributors. In the new facility in the Town of Islip we will have approximately an additional 30,000 square feet to not only to manufacture Plastic and aluminum containers but it will allow the company to:

1. To buy aluminum and plastic in quantities and store for a quicker turnaround time.
2. Space for additional machines to increase production
3. Add aluminum foil rolls to our product line
4. Provide Truck parking
5. Provide us the ability to compete with China by having a USA made product

These are just a few of the additional dimensions we will add to our Company Smart USA

This project is very necessary for Smart USA it will have a great effect on the Company to be able to grow and prosper

- B. Provide an accurate estimate of the time schedule to complete the project and when the first use of the project is expected to occur: _____

It is expected to be operational by August 2017

Part IV – Project Costs and Financing

1. Project Costs:

- A. Give an accurate estimate of cost necessary for the acquisition, construction, renovation, improvement and/or equipping of the project location:

<u>Description</u>	<u>Amount</u>
Land and/or building acquisition	\$ 5,000,000
Building(s) demolition/construction	\$ N/A
Building renovation	\$ N/A
Site Work	\$ N/A
Machinery and Equipment	\$ 4,642,128
Legal Fees	\$ -
Architectural/Engineering Fees	\$ N/A
Financial Charges	\$ -
Other (Specify)	\$ N/A
Total	\$ 9,642,128

2. Method of Financing:

	<u>Amount</u>	<u>Term</u>
A. Tax-exempt bond financing:	\$ N/A	N/A years
B. Taxable bond financing:	\$ N/A	N/A years
C. Conventional Mortgage:	\$ see attached	see attached years
D. SBA (504) or other governmental financing:	\$ see attached	see attached years
E. Public Sources (include sum of all State and federal grants and tax credits):	\$ N/A	
F. Other loans:	\$ N/A	N/A years
G. Owner/User equity contribution:	\$ 1,255,028	N/A years

Total Project Costs \$ 9,642,128

- i. What percentage of the project costs will be financed from public sector sources?

N/A

3. Project Financing:

- A. Have any of the above costs been paid or incurred (including contracts of sale or purchase orders) as of the date of this application? Yes ☐ No ☒

- i. If yes, provide detail on a separate sheet.

- B. Are costs of working capital, moving expenses, work in progress, or stock in trade included in the proposed uses of bond proceeds? Give details:

N/A

- C. Will any of the funds borrowed through the Agency be used to repay or refinance an existing mortgage or outstanding loan? Give details:

N/A

- D. Has the Applicant made any arrangements for the marketing or the purchase of the bond or bonds? If so, indicate with whom:

N/A

Part V – Project Benefits

1. Mortgage Recording Tax Benefit:

- A. Mortgage Amount for exemption (include sum total of construction/permanent/bridge financing):

\$ 4,500,000

- B. Estimated Mortgage Recording Tax Exemption (product of Mortgage Amount and 1.05 %):

\$ 26,250

2. Sales and Use Tax Benefit:

- A. Gross amount of costs for goods and services that are subject to State and local Sales and Use Tax (such amount to benefit from the Agency's exemption):

\$ 4,642,128

- B. Estimated State and local Sales and Use Tax exemption (product of 8.625 % and figure above):

\$ 400,383.54

- C. If your project has a landlord/tenant (owner/user) arrangement, please provide a breakdown of the number in "B" above:

i. Owner: \$ N/A

ii. User: \$ N/A

3. Real Property Tax Benefit:

- A. Identify and describe if the project will utilize a real property tax exemption benefit other than the Agency's PILOT benefit: N/A

B. Agency PILOT Benefit:

i. Term of PILOT requested: 10 years

- ii. Upon acceptance of this application, the Agency staff will create a PILOT schedule and indicate the estimated amount of PILOT Benefit based on anticipated tax rates and assessed valuation and attached such information to Exhibit A hereto. At such time, the Applicant will certify that it accepts the proposed PILOT schedule and requests such benefit to be granted by the Agency.

*** This application will not be deemed complete and final until Exhibit A hereto has been completed and executed.***

Part VI – Employment Data

1. List the Applicant's and each users present employment, and estimates of (i) employment at the proposed project location at the end of year one and year two following project completion and (ii) the number of residents of the Labor Market Area* ("LMA") that would fill the full-time and part-time jobs at the end of year second year following completion:

	<u>Present</u>	<u>First Year</u>	<u>Second Year</u>	<u>Residents of LMA</u>
Full-Time	<u>0 at project site</u>	<u>25</u>	<u>35</u>	<u>34</u>
Part-Time**	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

* The Labor Market Area includes the County/City/Town/Village in which the project is located as well Nassau and Suffolk Counties.

** Agency staff converts Part-Time jobs into FTEs for state reporting purposes by dividing the number of Part-Time jobs by two (2).

2. Salary and Fringe Benefits:

Category of Jobs to be Retained and Created	Average Salary or Range of Salary	Average Fringe Benefits or Range of Fringe Benefits
Salary Wage Earners	\$1,400	\$4,800
Commission Wage Earners	N/A	
Hourly Wage Earners	\$11.00 to \$20.00	\$4,800
1099 and Contract Workers	N/A	

Note: The Agency reserves the right to visit the facility to confirm that job creation numbers are being met.

Part VII – Representations, Certifications and Indemnification

1. Is the Applicant in any litigation which would have a material adverse effect on the Applicant's financial condition? (if yes, furnish details on a separate sheet)

Yes ☐ No ☒

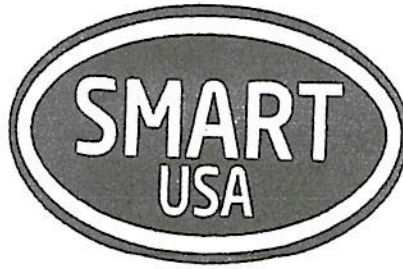
2. HAS THE APPLICANT OR ANY OF THE MANAGEMENT OF THE APPLICANT, THE ANTICIPATED USERS OR ANY OF THEIR AFFILIATES, OR ANY OTHER CONCERN WITH WHICH SUCH MANAGEMENT HAS BEEN CONNECTED, BEEN CITED FOR A VIOLATION OF FEDERAL, STATE OR LOCAL LAWS OR REGULATIONS WITH RESPECT TO LABOR PRACTICES, HAZARDOUS WASTES, ENVIRONMENTAL POLLUTION OR OTHER OPERATING PRACTICES? (IF YES, FURNISH DETAILS ON A SEPARATE SHEET)

Yes ☒ No ☐

3. Is there a likelihood that the Applicant would not proceed with this project without the Agency's assistance? (If yes, please explain why; if no, please explain why the Agency should grant the benefits requested)

Yes ☒ No ☐

See Attached



Part VII- Representations, Certifications and Indemnification

Number 2: HAS APPLICANT OR ANY MANAGEMENT OF THE APPLICANT, THE ANTICIPATED USERS OR ANY AFFILIATES, OR ANY OTHER CONCERN WITH WHICH SUCH MANAGEMENT HAS BE CONNECTED, BEEN CITED FOR A VIOLATION OF FEDERAL, STATE OR LOCAL LAWS OR REGULATIONS WITH RESPECT TO LABOR PRACTICES, HAZARDOUS WASTE, ENVIRONMENTAL POLLUTION OR OTHER OPERATING PRACTICES?

Yes

In June of 2015 the company Smart USA Inc. was cited from the Occupational Safety and Health Administration: It was resolved in 2016

They cited Smart USA Inc., with 3 violations totaling \$2,000. With the first payment being \$91.00 with 23 additional monthly payments of \$83.00

They were cited for:

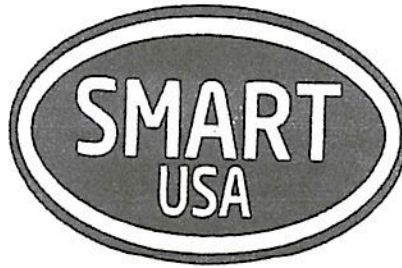
- 1) Establishing the required noise monitoring program for affected employees
- 2) Establishing the required audiometric testing program for affected employees
- 3) Providing training regarding noise exposure for affected employees

Xpress Distribution Inc. which is the other company owned by the principals of Smart USA Inc. and sharing the same facility at 69-07 69th Place, Glendale NY was cited from Occupational Safety and Health Administration in June of 2015 and was resolved in 2016

Xpress Distribution Inc. had two violations totaling \$3,000. 24 monthly payments of \$125.00

They were cited for:

- 1) Racking stability
- 2) Changing lavatory water temperature to comply with regulations



Part V11- Representations, Certifications and Indemnification

#3 is there likelihood that the Applicant would not proceed with this project without the Agency's Assistance:

#4 If the Applicant is unable to obtain financial assistance from the Agency for the project, what would be the impact on the Applicant and on the municipality?

Notwithstanding the desirability of this proposed site it must be stated that the purchase of this property is only feasible if IDA sponsored financing is made available. Furthermore, it holds true for any other facility we might be interested in purchasing with in the Town of Islip. The cost of real property coupled with the ancillary cost of operating within the Town of Islip (real estate taxes, electric charges, etc.) and conventional financing will make a great impact on the ability of the company to be competitive and will certainly make a difference on the company's profitability. The differential in cash flow that all the benefits the Town of Islip has for the company will allow us to operate and expand while remaining in New York. Were it not for the availability of these benefits we would have no choice but to set up our operation outside of New York where IDA like benefits are being offered and where real estate prices and operating cost are much lower. The Town of Islip will benefit from the Company's tax revenues, revenues generated from the economic activity of the company as business tax, sales tax from purchases and employee income tax. The municipality will have new employment growth in its manufacturing sector of its economy and not lose it to outside of New York State.

-
4. If the Applicant is unable to obtain financial assistance from the Agency for the project, what would be the impact on the Applicant and on the municipality?

See Attached

5. The Applicant understands and agrees that the provisions of Section 862(1) of the New York General Municipal Law, as provided below, will not be violated if financial assistance is provided for the proposed project:

§ 862. Restrictions on funds of the agency. (1) No funds of the agency shall be used in respect of any project if the completion thereof would result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state, provided, however, that neither restriction shall apply if the agency shall determine on the basis of the application before it that the project is reasonably necessary to discourage the project occupant from removing such other plant or facility to a location outside the state or is reasonably necessary to preserve the competitive position of the project occupant in its respective industry.

Initial 

6. The Applicant understands and agrees that in accordance with Section 858-b(2) of the General Municipal Law, except as otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the project will be listed with the New York State Department of Labor, Community Services Division and with the administrative entity of the service delivery area created pursuant to the Job Training Partnership Act (PL 97-300) in which the project is located (collectively, the "Referral Agencies"). The Applicant also agrees, that it will, except as otherwise provided by collective bargaining contracts or agreements to which they are parties, first consider for such new employment opportunities persons eligible to participate in federal job training partnership programs who shall be referred by the Referral Agencies

Initial 

7. The Applicant confirms and acknowledges that the owner, occupant, or operator receiving financial assistance for the proposed project is in substantial compliance with applicable local, state and federal tax, worker protection and environmental laws, rules and regulations.

Initial 

8. The Applicant confirms and acknowledges that the submission of any knowingly false or knowingly misleading information may lead to the immediate termination of any financial assistance and the reimbursement of an amount equal to all or part of any tax exemption claimed by reason of the Agency's involvement the Project.

Initial

9. The Applicant confirms and hereby acknowledges that as of the date of this Application, the Applicant is in substantial compliance with all provisions of Article 18-A of the New York General Municipal Law, including, but not limited to, the provision of Section 859-a and Section 862(1) of the New York General Municipal Law.

Initial

10. In accordance with Section 862(1) of the New York General Municipal Law the Applicant understands and agrees that projects which result in the removal of an industrial or manufacturing plant of the project occupant from one area of the State to another area of the State or in the abandonment of one or more plants or facilities of the project occupant within the State is ineligible for financial assistance from the Agency, unless otherwise approved by the Agency as reasonably necessary to preserve the competitive position of the project in its respective industry or to discourage the project occupant from removing such other plant or facility to a location outside the State.

Initial


11. The Applicant represents and warrants that to the Applicant's knowledge neither it nor any of its affiliates, nor any of their respective partners, members, shareholders or other equity owners, and none of their respective employees, officers, directors, representatives or agents is, nor will they become a person or entity with who United States persons or entities are restricted from doing business under regulations of the Office of Foreign Asset Control (OFAC) of the Department of the Treasury (including those named on OFAC's Specially Designated and Blocked Persons List or under any statute, executive order including the September 24, 2001, Executive Order Block Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism, or other governmental action and is not and will not assign or otherwise transfer this Agreement to, contract with or otherwise engage in any dealings or transactions or be otherwise associated with such persons or entities.

Initial


12. The Applicant confirms and hereby acknowledges it has received the Agency's fee schedule attached hereto as Schedule A and agrees to pay such fees, together with any expenses incurred by the Agency, including those of Transaction Counsel, with respect to the Facility. The Applicant agrees to pay such expenses and further agrees to indemnify the Agency, its members, directors, 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.

Initial

13. The Applicant confirms and hereby acknowledges it has received the Agency's [Construction Wage] Policy attached hereto as Schedule B and agrees to comply with the same.

Initial 

14. The Applicant hereby agrees to comply with Section 875 of the General Municipal Law. The Company further agrees that the financial assistance granted to the project by the Agency is subject to recapture pursuant to Section 875 of the Act and the Agency's [Recapture and Termination] Policy, attached hereto as Schedule C.

Initial 

Part VIII – Submission of Materials

1. Financial statements for the last two fiscal years (unless included in the Applicant's annual report).
2. Applicant's annual reports (or 10-K's if publicly held) for the two most recent fiscal years.
3. Quarterly reports (form 10-Q's) and current reports (form 8-K's) since the most recent annual report, if any.
4. In addition, please attach the financial information described in items A, B, and C of any expected guarantor of the proposed bond issue.
5. Completed Short Environmental Assessment Form.
6. Most recent quarterly filing of NYS Department of Labor Form 45, as well as the most recent fourth quarter filing. Please remove the employee Social Security numbers and note the full-time equivalency for part-time employees.

(Remainder of Page Intentionally Left Blank)


6.

Part IX – Certification

JAMSHID SOLEIMANY-KHSAH (name of representative of company submitting application) deposes and says that he or she is the PRESIDENT (title) of SMART USA INC., the corporation (company name) named in the attached application; that he or she has read the foregoing application and knows the contents thereof; and that the same is true to his or her knowledge.

Deponent further says that s/he is duly authorized to make this certification on behalf of the entity named in the attached Application (the "Applicant") and to bind the Applicant. The grounds of deponent's belief relative to all matters in said Application which are not stated upon his/her personal knowledge are investigations which deponent has caused to be made concerning the subject matter this Application, as well as in formation acquired by deponent in the course of his/her duties in connection with said Applicant and from the books and papers of the Applicant.

As representative of the Applicant, deponent acknowledges and agrees that Applicant shall be and is responsible for all costs incurred by the Town of Islip Industrial Development Agency (hereinafter referred to as the "Agency") in connection with this Application, the attendant negotiations and all matters relating to the provision of financial assistance to which this Application relates, whether or not ever carried to successful conclusion. If, for any reason whatsoever, the Applicant fails to conclude or consummate necessary negotiations or fails to act 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 Applicant is unable to find buyers willing to purchase the total bond issue required, then upon presentation of invoice, Applicant shall pay to the Agency, its agents or assigns, all actual costs incurred with respect to the application, up to that date and time, including fees to bond or transaction counsel for the Agency and fees of general counsel for the Agency. Upon successful conclusion and sale of the transaction contemplated herein, the Applicant shall pay to the Agency an administrative fee set by the Agency in accordance with its fee schedule in effect on the date of the foregoing application, and all other appropriate fees, which amounts are payable at closing.


Representative of Applicant

Sworn to me before this 14th
Day of February, 2017
Stephanie Ross
(Seal)

Stephanie Ross
Notary Public, State of New York
No. 01RO6192925
Qualified in Queens County
Commission Expires September 8, 2020

EXHIBIT A

Proposed PILOT Schedule

Upon acceptance of the Application and completion of the Cost Benefit Analysis, the Agency will attach the proposed PILOT Schedule, together with the estimates of net exemptions based on estimated tax rates and assessment values to this Exhibit.

SCHEDULE A

Agency's Fee Schedule

1. Application Fee—\$1,000.00

An application for IDA assistance must be accompanied by a non-refundable fee of \$1,000 plus a \$500 fee for the Town of Islip review of Environmental Assessment Form as required by the State Environmental Quality Review Act (SEQRA). (The \$500 fee will be waived if the applicant's project has already undergone a SEQRA review during a previous process, i.e. site plan, building permit, change of zone, etc.)

2. Agency Fee—.006

Upon closing of any IDA project, the Agency will assess an administrative fee of one-half of a basis point (.006) against the size of the project. For IDB projects, the .006 will be measured against the final bond amount. For straight-lease transactions, the .006 will be measured against the projected total costs.

3. Agency Counsel—\$250 per hour

The Town of Islip Town Attorney's Office acts as counsel to the Town of Islip IDA and must be reimbursed for time spent on IDA-related transactions. The Agency counsel bills all time spend on IDA matters at \$250 per hour. For IDA closings up to \$5 million, the Agency counsel bills a minimum of \$3,500. For projects greater than \$5 million, the Agency counsel bills a minimum of \$5,000. For all other activities, i.e. terminations, simple consents and waivers, transfer of assets, etc., the Agency counsel will bill at the aforementioned \$250 per hour.

4. Processing Fee—\$500

During the course of IDA ownership/involvement, the Agency may occasionally be required, by the company, to consent to a variety of items, i.e. pre-payment of bonds, second mortgages, additional secured financing, etc. The Agency will charge a \$500 processing fee for each of these requests.

5. Assignments & Assumptions—\$1,500

Occasionally, the IDA is asked to transfer benefits that were assigned to the original company, i.e. PILOT or mortgage recording tax benefits, to a different company, typically upon a sale of the IDA property. The new company often wishes to continue IDA involvement with the property in order to retain the IDA incentives. The Agency will charge a \$1,500 fee for each of these transactions.

6. PILOT Extensions/Modifications—.006

Occasionally, the Agency is asked to extend or modify an existing Payment n Lieu of Taxes Agreement (PILOT). The .006 will be measured against the projected increase of the PILOT benefit.

7. Annual Administrative Fee— \$1,000

An Annual Administrative Fee of \$1,000 will be charged to all projects to cover the cost of all the reporting and monitoring of the transaction. This fee is subject to periodic review and may be adjusted at the discretion of the Agency.

8. Bond/Transaction Counsel—fee negotiated separately

While the Town of Islip IDA is represented locally by the Town of Islip Town Attorney's Office, a separate Bond/Transaction Counsel is also necessary on any IDA project. Bond/Transaction counsels render "third party" opinions that the bond or straight lease transaction is authorized under all federal, state and local statutes. Bond/Transaction counsels also prepare all documents related to IDA transactions and coordinates all activities leading up to closing. The Town of Islip IDA has designed the firm of Nixon Peabody, LLP as its Bond/Transaction counsel and all fees are separately negotiated with them.

I have read and understand the aforementioned explanation of the fees associated with all the Town of Islip Industrial Agency Transaction.

Signature:

A handwritten signature in black ink, consisting of a stylized, cursive 'N' followed by a horizontal line and a large, sweeping flourish that extends to the right.

SCHEDULE B

Agency's Construction Wage Policy

CONSTRUCTION WAGE POLICY

Town of Islip Industrial Development Agency

The purpose of the Town of Islip Industrial Development Agency is to provide benefits that reduce costs and financial barriers to the creation and to the expansion of business and enhance the number of jobs in Islip.

The Agency has consistently sought to ensure that skilled and fair paying construction jobs for local residents are encouraged in projects receiving financial assistance from the Agency and that local vendors be used during the construction process.

It is the intent of the Agency that the economic activity created by Agency assisted projects during the construction process primarily benefits local residents and vendors.

- I. The following shall be the policy of the Town of Islip Industrial Development Agency for all applicants for financial assistance:
- II.
 - (A) Employ 90% of the construction workers for the project from within Nassau or Suffolk Counties.
 - (B) Purchase 90% of the building materials from within the bi-County region.

In the event that any of these conditions cannot be met, the applicant shall submit to the Agency an explanation as to the reasons for its failure or inability to comply with such conditions. Furthermore, this policy may be waived, in the sole and final discretion of the Agency, in the event that the applicant demonstrates to the Agency special circumstances or economic hardship to justify a waiver to be in furtherance of the purposes and goals of the Town of Islip Industrial Development Agency.

SCHEDULE C

Agency's Recapture and Termination Policy

TOWN OF ISLIP

INDUSTRIAL DEVELOPMENT AGENCY

EFFECTIVE JUNE 7, 2016

Pursuant to Sections 874(10) and (11) of Title 1 of Article 18-A of the New York State General Municipal Law (the "**Act**"), the Town of Islip Industrial Development Agency (the "**Agency**") is required to adopt policies (i) for the discontinuance or suspension of any financial assistance provided by the Agency to a project or the modification of any payment in lieu of tax agreement and (ii) for the return of all or part of the financial assistance provided by the Agency to a project. This Recapture and Termination Policy was adopted pursuant to a resolution enacted by the members of the Agency on June 7, 2016.

I. Termination or Suspension of Financial Assistance

The Agency, in its sole discretion and on a case-by-case basis, may determine (but shall not be required to do so) to terminate or suspend the Financial Assistance (defined below) provided to a project upon the occurrence of an Event of Default, as such term is defined and described in the Lease Agreement entered into by the Agency and a project applicant (the "**Applicant**") or any other document entered into by such parties in connection with a project (the "**Project Documents**"). Such Events of Default may include, but shall not be limited to, the following:

- 1) Sale or closure of the Facility (as such term is defined in the Project Documents);
- 2) Failure by the Applicant to pay or cause to be paid amounts specified to be paid pursuant to the Project Documents on the dates specified therein;
- 3) Failure by the Applicant to create and/or maintain the FTEs as provided in the Project Documents;
- 4) A material violation of the terms and conditions of the Project Agreements; and
- 5) A material misrepresentation contained in the application for Financial Assistance, any Project Agreements or any other materials delivered pursuant to the Project Agreements.

The decision of whether to terminate or suspend Financial Assistance and the timing of such termination or suspension of Financial Assistance shall be determined by the Agency, in its sole discretion, on a case-by-case basis, and shall be subject to the notice and cure periods provided for in the Project Documents.

For the purposes of this policy, the term "**Financial Assistance**" shall mean all direct monetary benefits, tax exemptions and abatements and other financial assistance, if any, derived solely from the Agency's participation in the transaction contemplated by the Project Agreements including, but not limited to:

- (i) any exemption from any applicable mortgage recording tax with respect to the Facility on mortgages granted by the Agency on the Facility at the request of the Applicant;
- (ii) sales tax exemption savings realized by or for the benefit of the Applicant, including and savings realized by any agent of the Applicant pursuant to the Project Agreements in connection with the Facility; and
- (iii) real property tax abatements granted under the Project Agreements.

II. Recapture of Financial Assistance

The Agency, in its sole discretion and on a case-by-case basis, may determine (but shall not be required to do so) to recapture all or part of the Financial Assistance provided to a project upon the occurrence of a Recapture Event, as such term is defined and described in the Project Documents. Such Recapture Events may include, but shall not be limited to the following:

- 1) Sale or closure of the Facility (as such term is defined in the Project Documents);
- 2) Failure by the Applicant to pay or cause to be paid amounts specified to be paid pursuant to the Project Documents on the dates specified therein;
- 3) Failure by the Applicant to create and/or maintain the FTEs as provided in the Project Documents;
- 4) A material violation of the terms and conditions of the Project Agreements; and
- 5) A material misrepresentation contained in the application for Financial Assistance, any Project Agreements or any other materials delivered pursuant to the Project Agreements.

The timing of the recapture of the Financial Assistance shall be determined by the Agency, in its sole discretion, on a case-by-case basis, and is subject to the notice and cure periods provided for in the Project Documents. The percentage of such Financial Assistance to be recaptured shall be determined by the provisions of the Project Documents.

All recaptured amounts of Financial Assistance shall be redistributed to the appropriate affected taxing jurisdiction, unless agreed to otherwise by any local taxing jurisdiction.

For the avoidance of doubt, the Agency may determine to terminate, suspend and/or recapture Financial Assistance in its sole discretion. Such actions may be exercised simultaneously or separately and are not mutually exclusive of one another.

III. Modification of Payment In Lieu of Tax Agreement

In the case of any Event of Default or Recapture Event, in lieu of terminating, suspending or recapturing the Financial Assistance, the Agency may, in its sole discretion, adjust the payments in lieu of taxes due under the Project Agreements, so that the payments in lieu of taxes payable under the Project Agreements are adjusted upward retroactively and/or prospectively for each tax year until such time as the Applicant has complied with the provisions of the Project Agreements. The amount of such adjustments shall be determined by the provisions of the Project Documents.

5. Use of Property.

- a. Describe the primary use of the property and the type of business to be conducted. MANUFACTURING- MANUFACTURING OF ALUMINUM AND PLASTIC FOOD CONTAINERS
- b. Describe any other use or uses of the property. _____
- c. Is any part of the real property used for a purpose other than buying, selling, storing or developing goods or services; the manufacture or assembly of goods or the processing of raw materials; or hotel or motel purposes? ☐ Yes ☒ No
- d. If yes, describe in detail the other use or uses of the property and state the extent to which the property is so used (e.g., 30% of floor space, 25% of income, etc.).

6. Other exemptions.

- a. Is the property receiving or has it ever received any other exemption from real property taxation?
☐ Yes ☒ No
- b. If yes, what exemption was received? _____ When? _____

Were payments in lieu of taxes made during the term of that exemption? ☐ Yes ☐ No

If yes, attach a schedule showing the amounts and dates of such payments, and the purposes for which such payments were made (i.e., school district, general municipal, etc.). Also attach any related documentation, such as a copy of the agreement under which such payments were made.

CERTIFICATION

I, JAMSHID SOLEIMANY KASHI, hereby certify that the information on this application and any accompanying pages constitutes a true statement of facts.

Signature

3/13/17
Date

FOR ASSESSOR'S USE

1. Date application filed: _____ 2. Applicable taxable status date: _____
3. Action on application: ☐ Approved ☐ Disapproved
4. Assessed valuation of parcel in first year of exemption: \$ _____
5. Increase in total assessed valuation in first year of exemption: \$ _____
6. Amount of exemption in first year:

	Percent	Amount
County	_____	\$ _____
City/Town	_____	\$ _____
Village	_____	\$ _____
School District	_____	\$ _____

Assessor's signature

Date

0

617.20
Appendix B
Short Environmental Assessment Form

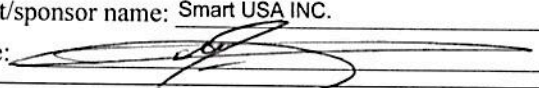
Instructions for Completing

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 1 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																		
Smart USA INC.																		
Name of Action or Project: Smart USA INC.																		
Project Location (describe, and attach a location map): 1440 5th Avenue, Bay Shore, New York																		
Brief Description of Proposed Action: Smart USA Inc. plans to purchase a facility which consist of one building of approximately 49,120 square feet on 2.29 acres known as 1440 5th Avenue, Bay Shore, New York for the manufacturing of aluminum and plastic pans for the industrial and commercial market.																		
Name of Applicant or Sponsor: Smart USA INC.		Telephone: [REDACTED]																
		E-Mail: [REDACTED]																
Address: 69-07 69th Place																		
City/PO: Glendale		State: NY	Zip Code: 11385															
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.			<table border="1" style="width: 100%; border-collapse: collapse;"><tr><td style="text-align: center;">NO</td><td style="text-align: center;">YES</td></tr><tr><td style="text-align: center;"><input checked="" type="checkbox"/></td><td style="text-align: center;"><input type="checkbox"/></td></tr></table>	NO	YES	<input checked="" type="checkbox"/>	<input type="checkbox"/>											
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: TheTown of Islip Industrial Development Agency			<table border="1" style="width: 100%; border-collapse: collapse;"><tr><td style="text-align: center;">NO</td><td style="text-align: center;">YES</td></tr><tr><td style="text-align: center;"><input type="checkbox"/></td><td style="text-align: center;"><input checked="" type="checkbox"/></td></tr></table>	NO	YES	<input type="checkbox"/>	<input checked="" type="checkbox"/>											
NO	YES																	
<input type="checkbox"/>	<input checked="" type="checkbox"/>																	
3.a. Total acreage of the site of the proposed action? 2.92 acres																		
b. Total acreage to be physically disturbed? 0 acres																		
c. Total acreage (project site and any contiguous properties) owned or controlled by the applicant or project sponsor? 0 acres																		
4. Check all land uses that occur on, adjoining and near the proposed action. <table style="width: 100%;"><tr><td><input checked="" type="checkbox"/> Urban</td><td><input type="checkbox"/> Rural (non-agriculture)</td><td><input checked="" type="checkbox"/> Industrial</td><td><input type="checkbox"/> Commercial</td><td><input type="checkbox"/> Residential (suburban)</td></tr><tr><td><input type="checkbox"/> Forest</td><td><input type="checkbox"/> Agriculture</td><td><input type="checkbox"/> Aquatic</td><td colspan="2"><input type="checkbox"/> Other (specify): _____</td></tr><tr><td><input type="checkbox"/> Parkland</td><td colspan="4"></td></tr></table>				<input checked="" type="checkbox"/> Urban	<input type="checkbox"/> Rural (non-agriculture)	<input checked="" type="checkbox"/> Industrial	<input type="checkbox"/> Commercial	<input 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				
<input checked="" type="checkbox"/> Urban	<input type="checkbox"/> Rural (non-agriculture)	<input checked="" type="checkbox"/> Industrial	<input type="checkbox"/> Commercial	<input 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,	NO	YES	N/A
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?	NO	YES	
	<input type="checkbox"/>	<input checked="" 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: _____	NO	YES	
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
8. a. Will the proposed action result in a substantial increase in traffic above present levels?	NO	YES	
	<input checked="" 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"/>	
c. Are any pedestrian accommodations or bicycle routes available on or near site of the proposed action?	<input type="checkbox"/>	<input checked="" 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: _____	NO	YES	
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
10. Will the proposed action connect to an existing public/private water supply? If No, describe method for providing potable water: _____	NO	YES	
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
11. Will the proposed action connect to existing wastewater utilities? If No, describe method for providing wastewater treatment: _____	NO	YES	
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
12. a. Does the site contain a structure that is listed on either the State or National Register of Historic Places?	NO	YES	
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
b. Is the proposed action located in an archeological sensitive area?	<input checked="" 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?	NO	YES	
	<input checked="" 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"/>	
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?	NO	YES	
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
16. Is the project site located in the 100 year flood plain?	NO	YES	
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
17. Will the proposed action create storm water discharge, either from point or non-point sources? If Yes,	NO	YES	
a. Will storm water discharges flow to adjacent properties? <input type="checkbox"/> NO <input type="checkbox"/> YES	<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: _____	<input type="checkbox"/> NO <input 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: _____	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>Smart USA INC.</u>		Date: <u>3-13-17</u>
Signature: 		

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: 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"/>

	No, or small impact may occur	Moderate to large impact may occur
10. Will the proposed action result in an increase in the potential for erosion, flooding or drainage problems?	<input type="checkbox"/>	<input type="checkbox"/>
11. Will the proposed action create a hazard to environmental resources or human health?	<input type="checkbox"/>	<input type="checkbox"/>

Part 3 - Determination of significance. The Lead Agency is responsible for the completion of Part 3. For every question in Part 2 that was answered "moderate to large impact may occur", or if there is a need to explain why a particular element of the proposed action may or will not result in a significant adverse environmental impact, please complete Part 3. Part 3 should, in sufficient detail, identify the impact, including any measures or design elements that have been included by the project sponsor to avoid or reduce impacts. Part 3 should also explain how the lead agency determined that the impact may or will not be significant. Each potential impact should be assessed considering its setting, probability of occurring, duration, irreversibility, geographic scope and magnitude. Also consider the potential for short-term, long-term and cumulative impacts.

- ☐ Check this box if you have determined, based on the information and analysis above, and any supporting documentation, that the proposed action may result in one or more potentially large or significant adverse impacts and an environmental impact statement is required.
- ☐ Check this box if you have determined, based on the information and analysis above, and any supporting documentation, that the proposed action will not result in any significant adverse environmental impacts.

Name of Lead Agency

Date

Print or Type Name of Responsible Officer in Lead Agency

Title of Responsible Officer

Signature of Responsible Officer in Lead Agency

Signature of Preparer (if different from Responsible Officer)

PRINT