Purpose:

- The preference for all businesses displaced by the Mohawk Valley Health System ("MVHS") Project is to have them remain inside the City of Utica. The OCIDA recognizes that this may not be possible for all those business and this policy is to provide financial assistance to help mitigate costs of relocation for “Eligible Businesses” that will be impacted by the MVHS project.

- In keeping with the broader purpose of OCIDA to promote, develop, encourage or assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of facilities in Oneida County and thereby advance the job opportunities, health, general prosperity and economic welfare of the people of Oneida County, if an Eligible Business commits to invest in a Replacement Property (above relocation costs) and/or create additional jobs, OCIDA may be able to offer additional financial assistance to an Eligible Business under its Uniform Tax Exemption Policy.

Eligible Businesses:

- Must have operated a business in the “Project Zone” and had employees whose place of employment was in the Project Zone during each month of 2017. “Project Zone” refers to any real estate located within the perimeter shown on the attached map that the Eligible Business owned or leased (under a written lease agreement) for all of 2017.

- To be eligible for financial assistance, an Applicant must have received an offer letter from MVHS and entered into an agreement with MVHS for the sale of its property in furtherance of the MVHS project.

- Industrial, commercial, back-office businesses and certain qualifying retail businesses (retail businesses that are relocating to a “highly distressed area” qualify for financial assistance under Section 874 of the New York State General Municipal Law) are eligible.

- Final determination of eligibility under Article 18-A of the New York State General Municipal Law shall be made by the IDA.

- An Eligible Business must not have filed a challenge to the taking of its real estate by eminent domain as “Not in the Public Good.”

- The Eligible Business must be in negotiation for, under contract to, or be within 90 days of having acquired a replacement facility (the “Replacement Property”). The Replacement Property must be located in Oneida County.

Application:
Applicant must complete the IDA’s standard form of Application for Financial Assistance and submit Part 1 Environmental Assessment Form.

Application must be made to OCIDA beginning with the date of the offer letter and ending one year after the later of 1) the transfer of title of the Project Zone property to MVHS or 2) the date the Eligible Business was required to vacate the Project Zone property.

Any financial assistance must directly benefit the Applicant.

OCIDA will determine in its sole discretion whether a project qualifies for financial assistance under this Business Relocation Policy or the OCIDA Uniform Tax Exemption Policy, and will then evaluate each application to grant financial assistance to the full extent that can be justified by the Application and consistent with OCIDA practices.

The IDA will waive its standard Application Fee, Commitment Fee and Closing Fee for all Eligible Businesses, whether processed under this Business Relocation Policy or the Uniform Tax Exemption Policy. Applicants will pay an annual fee of $750 to the IDA.

Applicant will be responsible for payment of the fees and expenses of the IDA attorney, including but not limited to reviewing the Application, determining project eligibility and drafting closing documents.

Financial Assistance:

- Sales tax exemption on purchases of materials or equipment to be used in the construction, renovation or operation of the “Replacement Property”. (Normally acquired within one year from initial IDA approval).
- Mortgage recording tax exemption (.75% of the amount of the mortgage).
- On new construction, renovation and rehabilitation costs of the Replacement Property, abatement of any increase in real property taxes for a period of ten years, during which time the Applicant will make the following payments-in-lieu-of-taxes:

  Years 1 – 3
  An amount equal to the lesser of 1) the real property taxes (County, City, Town, Village and School) payable in 2017 on the Replacement Property less $20,000 (but not less than zero) (the “Base Tax”) or 2) the real property taxes currently payable on the Replacement Property.

  Years 4 -10, the lesser of 1) the real property taxes as then currently assessed on the Replacement Property or 2) the Base Tax multiplied by:

<table>
<thead>
<tr>
<th>Year</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
<th>10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Factor</td>
<td>1.0</td>
<td>1.0</td>
<td>1.2</td>
<td>1.4</td>
<td>1.6</td>
<td>1.8</td>
<td>2.0</td>
</tr>
</tbody>
</table>

  Year 11 and thereafter, the real property taxes as then currently assessed on the property.

Recapture:
Financial assistance is conditioned upon Applicant maintaining, at a minimum, for ten years in the Replacement Property, the number of FTE employees that the Applicant employed in the “Project Zone” in 2017.

Applicants will be subject to the recapture policy established by the IDA.

Reduced benefits will apply if applicant no longer exclusively occupies the Replacement Property.

Deviations:

- The IDA reserves the right, at its sole discretion, to deviate from this Policy on a case-by-case basis, and will grant financial assistance to match a commitment by an Eligible Business to make an investment into and/or create employment at the Replacement Property.
- The IDA will provide written notice to each affected tax jurisdiction of any deviation from this Policy and will comply with the deviation requirement of the General Municipal Law.
- In addition to the other deviation criteria described in the IDA’s Uniform Tax Exemption Policy, the IDA will consider the following to determine when it is appropriate to deviate from this policy:
  - If the Applicant commits to not only retain, but also to create, a significant number of additional permanent, private employees (FTEs) as a result of acquiring the Replacement Property.
  - If the Applicant commits to make an investment into improving the Replacement Property that exceeds expenses of relocating to the Replacement Property.
  - Consideration will be given to limiting the Base Tax to an equivalent tax based on an assessment equalization of the arms-length purchase price of the Replacement Property.

Duration of Policy:

- Three years from the date of implementation.