OCIDA PROJECT MEMO –MAY 13, 2019

Project Name: **B240 Site Mixed Use Project Phase 1**

Location: 1371 Floyd Ave, Rome

Applicant: **B240 LLC, 18 Division St, Saratoga Springs, NY 12866**

Principal Owners: Alfio Bonaccio, Jr and Hampstead America LLC

Proposed Project:

Phase 1 is the purchase of 4± acres (bisected by entry street from Route 825/Hangar Rd. roundabout (1.7 acre & 2.6 acres respectively)

New Construction:
2 Buildings (one on each side of the entry street)
1St Floor Office/Retail/Commercial. Sq. Ft.: 30,600 estimated sq. ft. total.
2nd through 4th Floors: 84 market rate residential one and two bedroom apartments.

Estimated Project Costs		
Acquisition of Land	$	294,000
New Construction	$	18,137,754
Fees/Permits	$	20,450
Legal Fees	$	45,700
A&E	$	499,363
Finance Interest	$	397,844
Other	$	412,050
Agency Fee	$	76,963
Total	$	**19,884,124**

Estimated Incentives Request Values		
Tier 1 Housing PILOT Score: 100 pts	$	2,397,783
Mortgage Tax Exemption	$	119,310
Sales Tax Exemption	$	620,000
Total	**$**	**3,137,093**

Employment: Create: **47 FTE**

PROPOSED PILOT FOR PHASE 1

PILOT Year	Phase 1 - Land	Phase 1 Building	Total Phase 1 Assessment	PILOT Abatement Schedule	Tax Rate w/ 1.015 Escalator	Estimated Real Property Taxes w/ No PILOT	Estimated PILOT w/ PILOT Schedule	Effective Tax Rate Due to PILOT
	$ 378,000	$31,700			$61.91			
	71.6%	84			1.015			
Year 0					$61.91	$ -		
Year 0					$62.84	$ -		
Year 1	$ 270,000	$2,660,000	$ 2,930,000	100%	$63.78	$186,879.00	$ -	$ -
Year 2	$ 270,000	$2,660,000	$ 2,930,000	100%	$64.74	$189,682.19	$ -	$ -
Year 3	$ 270,000	$2,660,000	$ 2,930,000	100%	$65.71	$192,527.42	$ -	$ -
Year 4	$ 270,000	$2,660,000	$ 2,930,000	100%	$66.69	$195,415.33	$ -	$ -
Year 5	$ 270,000	$2,660,000	$ 2,930,000	85%	$67.70	$198,346.56	$ 29,751.98	$ 10.15
Year 6	$ 270,000	$2,660,000	$ 2,930,000	80%	$68.71	$201,321.76	$ 40,264.35	$ 13.74
Year 7	$ 270,000	$2,660,000	$ 2,930,000	75%	$69.74	$204,341.59	$ 51,085.40	$ 17.44
Year 8	$ 270,000	$2,660,000	$ 2,930,000	70%	$70.79	$207,406.71	$ 62,222.01	$ 21.24
Year 9	$ 270,000	$2,660,000	$ 2,930,000	65%	$71.85	$210,517.81	$ 73,681.23	$ 25.15
Year 10	$ 270,000	$2,660,000	$ 2,930,000	60%	$72.93	$213,675.58	$ 85,470.23	$ 29.17
Year 11	$ 270,000	$2,660,000	$ 2,930,000	55%	$74.02	$216,880.71	$ 97,596.32	$ 33.31
Year 12	$ 270,000	$2,660,000	$ 2,930,000	50%	$75.13	$220,133.92	$ 110,066.96	$ 37.57
Year 13	$ 270,000	$2,660,000	$ 2,930,000	45%	$76.26	$223,435.93	$ 122,889.76	$ 41.94
Year 14	$ 270,000	$2,660,000	$ 2,930,000	40%	$77.40	$226,787.47	$ 136,072.48	$ 46.44
Year 15	$ 270,000	$2,660,000	$ 2,930,000	35%	$78.56	$230,189.28	$ 149,623.03	$ 51.07
Year 16	$ 270,000	$2,660,000	$ 2,930,000	30%	$79.74	$233,642.12	$ 163,549.49	$ 55.82
Year 17	$ 270,000	$2,660,000	$ 2,930,000	25%	$80.94	$237,146.75	$ 177,860.07	$ 60.70
Year 18	$ 270,000	$2,660,000	$ 2,930,000	20%	$82.15	$240,703.96	$ 192,563.16	$ 65.72
Year 19	$ 270,000	$2,660,000	$ 2,930,000	15%	$83.38	$244,314.51	$ 207,667.34	$ 70.88
Year 20	$ 270,000	$2,660,000	$ 2,930,000	10%	$84.63	$247,979.23	$ 223,181.31	$ 76.17
						$ 4,321,327.86	$ 1,923,545.14	
							$ 109,263.81	
							Net Change	
							$2,397,782.72	
							Total Tax Savings	

ONEIDA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

OCIDA

APPLICATION FOR FINANCIAL ASSISTANCE

Oneida County Industrial Development Agency
584 Phoenix Drive
Rome, New York 13441-1405
(315) 338-0393 telephone
(315) 338-5694 fax

Shawna M. Papale, Executive Director

A non-refundable application fee of $500.00 must be submitted at the time of application along with a $1,000 commitment fee; the $1,000 commitment fee will be applied to closing fees.

*Please submit the original and two (2) copies of the **signed and notarized** application, and **signed** SEQR form with the above fees. Cost benefit will be completed based on information from this application.*

Please also deliver an electronic copy of all.

All applications must be submitted at least 10 days prior to meeting.

B240 Site Mixed-Use Project Phase 1

Project Name Number (to be provided by the agency)

Date of Submission

Note to Applicant:

The information requested by this application 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 signed and notarized application and two copies with a check in the amount of $1500.00 made payable to: **Oneida County Industrial Development Agency (OCIDA)**, 584 Phoenix Drive, Rome, New York 13441-1405, Attn.: Shawna M. Papale, Executive Director. $1000 will be applied at closing against the IDA legal fees. In addition, an electronic version of the application (signed), andSEQR form (signed), to spapale@mvedge.org.

Upon the submission of this application to OCIDA, this applicant becomes a public document. Be advised that any action brought before the OCIDA is public information. All agendas for OCIDA are issued prior to full agency meetings and posted in public domain. *If there is information that the applicant feels is proprietary please identity as such and that information will be treated confidentially to the extent permitted by law.*

By signing and submitting this Application, the Applicant acknowledges that it received a copy of the Uniform Tax Exemption Policy and the Oneida County IDA Penalty for Failure to Meet Employment Levels as 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. You will receive an engagement letter from the OCIDA legal counsel. You will be asked to sign the engagement letter acknowledging you will be responsible for all legal fees of OCIDA legal counsel and that you understand the process. Should you not close and legal services have been rendered by the OCIDA legal counsel, your company will be responsible for those costs.

If your project requires a public hearing, a representative of the applicant is required to be present. A date will be coordinated by the OCIDA legal counsel.

If you have questions how to calculate your company's IDA application fee please consult with the Memorandum to Companies Sale – Leaseback Transactions or please contact the IDA Executive Director.

Part I: Applicant Information

Note: In responding to the following questions, please keep in mind that the Applicant will be party to all of the documents and is the individual or if entity will be formed which will receive the actual financial assistance from the Agency.

Applicant

1(a) Applicant's Legal Name: B240 LLC

1(b) Principal Address: 18 Division Street
Suite 401
Saratoga Springs, NY 12866

1(c) Telephone/Facsimile Numbers: 518-584-9007

1(d) Email Address: kate@bonacio.com

1(e) Federal Identification Number: 83-4574494

1(f) Contact Person: Kate Jarosh

1(g) Is the Applicant a

- [ ] Corporation:
  If yes, Public [ ] Private [ ]
  If public, on which exchange is it listed? _____
- [ ] Subchapter S
- [ ] Sole Proprietorship
- [ ] General Partnership
- [ ] Limited Partnership
- [✓] Limited Liability Corporation/Partnership
- [ ] Single-Member LLC (name and EIN below):

  Name: _____

  EIN: _____
- [ ] DISC
- [ ] Other(specify) _____

1(h) State of Organization (if applicable) New York

Applicant's Stockholders, Directors and Officers (or Partners)

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

Name	Address	Percentage of Ownership
Hampstead America LLC.	659 N. Broadway, Saratoga Springs, NY 12866	TBD
Alfio Bonacio Jr.	18 Division St., Suite 401, Saratoga Springs, NY 12866	TBD

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. Hampstead America LLC. is a majority member of the following real estate holding companies: Dauchy River Triangle LLC, 33 Second Street Building LLC, Keenan Center LLC, Hendrick Hudson Building LLC, Weibel Avenue Apartments LLC, Standish LLC, 130 Excelsior LLC, Neumann Building LLC, 422 Broadway LLC, 2 West Ave LLC., 9N Medical Building LLC, Thompson Hill LLC.

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:

No.

Applicant's Counsel and Accountant

3(a). Applicant's Attorney

Name/Title: Libby Coreno

Firm:

Address: 18 Division St., Suite 401

Saratoga Springs, NY 12866

Telephone/Fax: 518-584-9007

Email: libby@bonacio.com

3(b) Applicant's Accountant

Name/Title: Paul Goetz

Firm: BST & Co., CPAs LLP

Address: 26 Computer Dr. W

Albany, NY 12205

Telephone/Fax: 518-459-6700

Email: pgoetz@bstco.com

Business Description

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

Real estate development.

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.

This project is a mixed-use apartment community, consisting of 2 buildings with 30,600SF of 1st floor commercial space for lease and 84 apartments on floors 2-4 above between them. The apartments will be a mix of 1 and 2 bedroom units. Potential commercial uses include: restaurant, dry cleaner, hair/nail salon, daycare, retail, office, and service-oriented businesses that will be an amenity to both the community and Griffiss Technology Park.

Reasons for Project

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

Although the Griffiss Technology Park has grown by leaps and bounds in recent years, bringing an exciting new talent pool to the City of Rome, which is now boasting over 6,000 employees, the development of housing options for these workers has not kept up. Unfortunately, a high percentage of these workers have become commuters, leaving each evening for Syracuse or Utica. Additionally, the ability for employers to recruit top talent has been stymied by the lack of convenient, amenity-rich housing options. The project proposed is Phase 1 of a multi-phased mixed-use community that will keep these workers in Rome to live, work and play, while increasing sales tax and assisting in talent recruitment at the Park. As a partnership, we have created over 950,000 square-feet of successful mixed-use projects in Saratoga Springs and Troy, NY.

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

Though we believe in Rome and the opportunity that exists, it is still an emerging market. Providing the caliber of product that we produce in Saratoga Springs, in Rome NY, is a challenge. The projected rental rates are 22% lower and estimated expenses are 10% higher, resulting in a 30% increase to the revenue/expense ratio. Coupled with rising construction costs in the last year, we feel that the proposed involvement by the Agency is crucial to providing the product desired.

6(c) Please confirm by checking the box, below, if there is likelihood that the Project would not be undertaken but for the Financial Assistance provided by the Agency?

[■] Yes or [ ] No

If the Project could be undertaken without Financial Assistance provided by the Agency, then provide a statement in the space provided below indicating why the Project should be undertaken by the Agency:

N/A

How will the Applicant's plans be affected or scaled back if Agency approval is not granted?

The project cannot move forward without the Agency's approval of the assistance requested.

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.

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, is the proposed project reasonably necessary to preserve the competitive position of the Applicant in its respective industry? [ ] Yes [ ] No

If yes, please provide a statement and evidence supporting the same. Include the name of all taxing jurisdictions in which the abandoned facility or plant lies, and whether Applicant has had any discussions with said taxing jurisdictions regarding the abandonment. Please provide as much detail as possible.

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.

GLDC was awarded a $1,250,000 grant from ESD to assist with infrastructure and commercial tenant recruitment for this site in the last CFA round. As the purchaser of this property, the grant may be used for our project.

6(h) Check all categories best describing the type of project for all end users at project site **(you may check more than one; if checking more than one indicate percentage of square footage the use represents):**

- [ ] Manufacturing
- [ ] Industrial Assembly or Service
- [ ] Back office operations
- [ ] Research and Development
- [ ] Technology/Cybersecurity
- [ ] Warehousing
- [X] Commercial or Recreational
- [X] Retail
- [X] Residential housing (specify) 1&2 bedroom apartment units
- [ ] Pollution Control (specify) _____
- [ ] Environmental (e.g., Brownfield) (specify) _____
- [ ] Other (specify) _____

Percentage of sq. footage of each use (if more than one category):

Actual tenants have not yet all been identified, but it is our goal to provide amenities for the apartments and for Griffiss Technology Park, along with some office space. To that end, it is likely that the commercial space will be 50-60% amenities and 40-50% office.

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

- [x] Acquisition of land
- [ ] Acquisition of existing building
- [ ] Renovations to existing building
- [ ] Construction of addition to existing building
- [ ] Demolition of existing building or part of building
- [X] 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. Attach a sheet labeled Annual PILOT that shows the annual utilization of the Real Property Tax Abatement by year and by taxing jurisdiction.

Assistance Requested	Estimated Values
[x] Real Property Tax Abatement (value of PILOT savings)	$ 2,397,783
[x] Mortgage Tax Exemption (.75%) $ 119,310	
Amount of mortgage: $ 15,908,000	
[X] Sales and Use Tax Exemption ** (8.75%) $ 620,000	
Value of goods/services to be exempted from sales tax: $ 7,033,266	
[ ] Issuance by the Agency of Tax Exempt Bonds(bond dollar value)$ _____	

Is the financial assistance requested by the Applicant consistent with the IDA's Uniform Tax Exemption Policy? Yes [X] No [ ]

If no, please provide a written statement describing the financial assistance being requested and detailing the reasons the IDA should consider deviating from its Policy.

The request is consistent with OCIDA's Uniform Tax Exemption Policy, however, we are requesting a deviation to the Housing Policy's standard financial exemption schedule.

** *Note that the estimate provided above will be provided to the New York State Department of Taxation and Finance. The Applicant acknowledges that the transaction documents will include a covenant by the Applicant that the estimate, above, represents the maximum amount of sales and use tax benefit currently authorized by the Agency with respect to this Application. The Agency may utilize the estimate, above, as well as the proposed total Project Costs as contained within this Application, to determine the Financial Assistance that will be offered.* **It is the responsibility of the applicant to inform the IDA within 10 days if the project amount changes.**

Part III: Facility Information (if project that you are applying for is a housing project please also complete questions 7(l) through7(p))

Attach copies of the most recent real property tax bills. Include copies for all taxing jurisdictions for the site/ facility that IDA assistance is beingsought.

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

7(a) Street Address of Facility:

1371 Floyd Ave.

7(b) City, Town and/or Village (list ALL incorporated municipalities):

Rome, New York

7(c) School District:

City of Rome

7(d) For what purpose was the facility site most recently used (i.e., light manufacturing, heavy manufacturing, assembly, etc.)? Air Force Research Laboratory, parking, green space.

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

GB-RL Rome Lab/R&D/Office Campus Sub-District/Park Center

7(f) 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. If there are infrastructure improvements (water, sewer, gas, electrical, etc.) please provide details along with who will carry out those improvements and who will fund them. ***Please be as specific as possible***.

Phase 1 is the purchase of +/- 4 acres on either side of the new boulevard entrance entering the site from Route 825 and the construction of two mixed-use buildings. In total, there will be +/- 30,600SF of commercial space for lease and 84 apartments for rent between these two buildings. Both buildings will be four stories; 1st floor commercial and residential on floors 2-4. Construction type to be steel on the 1st floors and wood-frame above. Municipal water and sewer are currently located on site, but will need to be extended to building 1a. Gas and electrical will also need to be extended onto the site. Sidewalk connections will be made to the planned sidewalks provided along the existing street as well. These infrastructure costs are borne by the Developer.

7(g) Has construction or renovation commenced? [ ] Yes [■] No

If yes, please describe the work in detail that has been undertaken to date, including the date of commencement.

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

Construction commencement: September 2019

Construction completion: December 2020

7(h) 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.

Has the Project received site plan approval from the planning department?

[ ] Yes [■] No [ ] N/A

If Yes, please provide the Agency with a copy of the planning department approval along with the related State Environmental Quality Review (SEQR) determination. If no, please provide the status of approval:

7(i) Will the project have a significant effect on the environment? [ ] Yes [■] No

Important: please attach and sign Part 1 of either the the long or short Environmental Assessment Form to this Application.

7(j) What is the useful life of the facility? 40 years

7(k) Is the site in a former Empire Zone? [■] Yes [ ] No

If yes, which Empire Zone: Rome Zone

Is project located in a Federal HUB Zone or distressed area: [■] Yes [ ] No

[Provide detail. Project is located in census tract 225 and newly designated Opportunity Zone.

Part IV: Housing Project Questionnaire

Complete the following questions only if your project is a Housing Project. Please reference the *Oneida County Industrial Development Agency Uniform Tax Exemption and Agency Benefits Policy Market Rate Rental Housing Development Initiatives.* (Add additional pages as needed).

7(l) Describe the housing project to be constructed or renovated in detail (type of housing, number of units, etc.):

Phase 1 is the purchase of +/- 4 acres on either side of the new boulevard entrance entering the site from Route 825 and the construction of two mixed-use buildings. In total, there will be +/- 30,600SF of commercial space for lease and 84 apartments for rent between these two buildings. Both buildings will be four stories; 1st floor commercial and residential on floors 2-4.

7 (m) Describe how you will change the current use of the facility or property being utilized for the project. To assist the IDA in their determination of an eligible vacant urban infill site project please provide an extensive explanation as well as photos of what is being removed or replaced with the new construction.

Previously, on this location stood Building 240, an Air Force Research Lab, which was demolished to clear the way for a new boulevard road and buildable site for purchase. We responded to the City's RFEI with a mixed-use project concept, providing much needed housing options to recruit and retain talent at Griffiss Technology Park and commercial amenities to serve both the apartments and the Park as a whole.

7 (n) Will the project have any impact on the existing infrastructure or upgrades to the current infrastructure (water, sewer, electrical, gas, etc.)? If yes please provide detail and who you are working with at the applicable organization.

Water/Sewer: Both are already on site. We are working with Tony Nash at the City of Rome with regard to pressure and capacity of the new system.
Electric/Gas: Both need to be brought on site from their terminations on Floyd Ave. We are working with National Grid to map this solution.

7 (o) If your project is a multi-use facility please provide details of the project, project square footage breakdown of non-housing to housing usage, detail the job creation and retention associated with the non-housing component.

Commercial: 30,600 SF for lease; 50-60% amenities (restaurant, daycare, salon, etc), 40-50% office. 0 jobs currently on site. Depending on final tenant mix, estimated job creation is 50-60.
Housing: 110,000SF, 1BR & 2 BR units; 0 jobs on site currently, estimated job creation is 2-3.

7 (p) Does the project provide a community benefit? If yes provide detail substantiating (reference the IDA policy).

Yes. The project provides housing in close proximity to Griffiss Technology Park, reducing commuting time & traffic congestion, & assists companies on Griffiss in attracting multi-dimensional talent, provides amenities important to both residents &Griffiss employees, which also creates sales tax revenue for the City & County. The project will make water & sewer connections & connect to multi-use trails, encouraging non-motarized transportation.

ALL APPLICANTS ANSWER THE FOLLOWING

Part V: Retail Project Questionnaire

To ensure compliance with Section 862 of the New York General Municipal Law, the Agency requires additional information if the proposed Project is one where customers personally visit the Project site to undertake either a retail sale transaction or to purchase services.

A. Will any portion of the project (including that portion of the cost to be financed from equity or other sources) consist of facilities or property that are or will be primarily used in making sales of goods or services to customers who personally visit the project site?

☒ Yes or ☐ No. If the answer is yes, please continue. **If no, proceed to next section Part VI Facility (Pg 14).**

For purposes of Question A, the term "retail sales" means (i) sales by a registered vendor under Article 28 of the Tax Law of the State of New York (the "Tax Law") primarily engaged in the retail sale of tangible personal property (as defined in Section 1101(b)(4)(i) of the Tax Law), or (ii) sales of a service to customers who personally visit the Project.

B. What percentage of the cost of the Project will be expended on such facilities or property primarily used in making sales of goods or services to customers who personally visit the project? 12.5 %. **If the answer is less than 33% do not complete the remainder of the retail determination and proceed to next section Part VI Facility (Pg 14).**

If the answer to A is Yes AND the answer to Question B is greater than 33.33%, indicate which of the following questions below apply to the project:

1. Will the project be operated by a not-for-profit corporation ☐ Yes or ☐ No.

2. Is the Project location or facility likely to attract a significant number of visitors from outside Oneida County?

☐ Yes or ☐ No

If yes, please provide a third party market analysis or other documentation supporting your response.

3. Is the predominant purpose of the project to make available goods or services which would not, but for the project, be reasonably accessible to the residents of the municipality within which the proposed project would be located because of a lack of reasonably accessible retail trade facilities offering such goods or services?

☐ Yes or ☐ No

If yes, please provide a third party market analysis that demonstrates that a majority of the project's customers are expected to come from outside of Oneida County and the project will not directly compete with existing businesses located in Oneida County.

Part VI: Facility (Legal Information)

8(a) With respect to the **present owner** of the facility, please give the following information and provide a brief statement regarding the status of the acquisition.:

(Note: the present owner is not necessarily the user of the facility, but that party which holds legal title to the facility.)

Legal Name: Griffiss Local Development Corp.

Address: 584 Phoenix Dr., Rome, NY 13441

Telephone: 315-338-0393

Balance of Mortgage: Left Blank per Shawna

Holder of Mortgage: Left Blank per Shawna

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.

Purchase agreement is currently under consideration by GLDC, projected approval 5/16/19.

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.

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.

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

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

8(f) Are you planning to use the entire proposed facility?
[ ] Yes [X] 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, including the square footage the Applicant will occupy:

Name of Tenant	Floors Occupied	Square Feet Occupied	Nature of Business
TBD			

8(g) Are any of the tenants related to the owner of the facility?
[ ] Yes [X] No
If yes, please explain.

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

Lease agreements between owner of property/applicant to IDA and various commercial tenants. None signed at this time.

Part VII: Equipment

9(a) List the principal items or categories of equipment to be acquired as part of the project. If you are requesting sales tax exemption it is important to be as detailed as possible. (If a complete list is not available at time of application, as soon as one is available but prior to final authorizing resolution, please submit a detailed inventory of said equipment to be covered.) Attach a sheet if needed.

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? _____years

Part VIII: Employment Information

"FTE" shall mean a full time employee that has a minimum of thirty-five (35) scheduled hours per week, or any combination of two or more part-time employees that work a minimum of fifteen (15) scheduled hours per week, when combined together, constitute the equivalent of a minimum of thirty-five (35) scheduled hours per week, and whose workplace location is the project facility. For this purpose an employee shall include a leased employee regularly retained by the company.

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

Construction Jobs: 25

10(b) Will the project preserve permanent, private sector jobs or increase the overall number of permanent, private sector jobs in the State of New York?

[■] Yes or [ ] No.

If yes, explain construction employment, commercial tenant employment, management company employment

10 (c) Have you experienced any employment changes (+ or -) in the last three (3) years?

[ ] Yes or [X] No.

If yes, explain _____

10(c) Job Information related to project ***

Estimate below how many jobs will be created and retained as a result of this project, if OCIDA assistance is granted.

	Number of Jobs BEFORE Project 0	Location 1	Location 2	Location 3	Location 4	Location 5	Total
	Address in NYS	See					
	Full-Time Company	Attached	Job	&	Salary	Grid	
	Full-Time Independent Contractors						
	Full-Time Leased						
A.	**Total Full-Time BEFORE**						
	Part-Time Company						
	Part-Time Independent Contractors						
	Part-Time Leased						
B.	**Total Part-Time BEFORE**						
	Total FTE BEFORE*						

**For Total FTE BEFORE add full-time employees (line A) plus part-time employees that have been converted to FTE (line B).*

Continued on next page

	Number of Jobs AFTER Project (within 3 years of project completion)	Location 1	Location 2	Location 3	Location 4	Location 5	Total
	Full-time Company						
	Full-Time Independent Contractors						
	Full-Time Leased						
A.	**Total Full-Time AFTER**						
	Part-Time Company						
	Part-Time Independent Contractors						
	Part-Time Leased						
B.	**Total Part-Time AFTER**						
	Total FTE AFTER *						

For **Total FTE AFTER add full-time employees (line A) plus part-time employees that have been converted to FTE (line B).*

Estimate the number of residents from the Labor Market Area** in which the Project is located that will fill the jobs created within three years of project completion	Location 1	Location 2	Location 3	Location 4	Location 5	Total
Full-Time						
Part-Time						
Total AFTER						

** Labor Market Area includes Oneida, Lewis, Herkimer, and Madison Counties

Continued on next page

	Retained Jobs		Created Jobs	
SALARY AND BENEFITS	**Average Annual Salary *per employee***	**Average Fringe Benefits (as a percentage of wages)**	**Average Annual Salary *per employee***	**Average Fringe Benefits (as a percentage of wages)**
Management	$	%	$	%
Administrative	$	%	$	%
Production	$	%	$	%
Independent Contractor	$	%	$	%
Other	$	%	$	%
Overall Weighted Average	$	%	$	%

*** By statute, Agency staff must project the number of Full-Time Jobs that would be retained and created if the request for Financial Assistance is granted. "FTE" shall mean a full time employee that has a minimum of thirt-five (35) scheduled hours per week, or any combination of two or more part-time employees that work a minimum of fifteen (15) scheduled hours per week, when combined together, constitute the equivalent of a minimum of thirt-five (35) scheduled hours per week, and whose workplace location is the project facility. For this purpose an employee shall include a leased employee regularly retained by the company.

10(c) Please list NAICS codes for the jobs affiliated with this project:

23 - Construction
53 - Real Estate Rental & Leasing
54 - Professional services
72 - Food Services
81 - Other

Part IX: Estimated Project Cost and Financing - form will auto sum

11(a) List the costs necessary for the construction, acquisition or renovation of the facility.

Acquisition of Land (if vacant)	$ 294,000
Acquisition of Existing Building(s)	$
Renovation Costs of Existing Building(s)	$
New Construction of Buildings	$ 18,137,754
Machinery and Equipment (other than furniture costs)	$
Fixtures	$
Installation Costs	$
Fees & Permits (other than your own broker and legal fees)	$ 20,450
Legal Fees (IDA legal fees, Applicant legal fees)	$ 45,700
Architectural/Engineering	$ 499,363
Interest on Financing Charges	$ 397,844
Other (specifx(	$ 412,050
Subtotal	$
Agency Fee[1]	$ 76,963
Total Project Cost	**$** 19,884,124

[1] *See Attached Fee Schedule (Page 25) for Agency Fee amount to be placed on this line*

11(b) **Sources of Funds for Project Costs (will auto sum):**

BankFinancing:-After principal paydown by grant reimbursement	14,508,000
Equity (excluding equity that is attributed to grants/tax credits)	$ 3,976,124
Tax Exempt Bond Issuance (if applicable)	$
Taxable Bond Issuance (if applicable)	$
Public Sources (Include sum total of all state and federal grants and tax credits)	$ 1,400,000
Identify each state and federal grant/credit:	
ESD	$ 1,250,000
City/County Grant	$ 150,000
	$
	$
Total Sources of Funds for Project Costs:	$ 19,884,124

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.

Tax Map Parcel #	Current Assessed Value (Land)	Current Assessed Value (Building)	Current Total Assessment	Current Real Estate Taxes
To be subdivided by City				

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

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

Rome City Hall

198 N. Washington St.

Rome, NY 13440

12(c) Address of Receiver of School Taxes:

Rome City School District

409 Bell Road

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? [X] Yes [ ] No

If yes, please indicate which tax map parcel # will be affected and estimate of increase.

$0 (tax exempt) to Taxable Assessed Value of $2,930,000

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?

[X] Yes [ ] No

If yes, please provide details.

We have requested term sheets from M&T Bank, Community Bank & Axiom Capital.

13(b) Has the Applicant received a commitment letter for said financing?

[ ] Yes [X] 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. As you begin completing the form and have questions, please call the IDA office.

REPRESENTATIONS AND CERTIFICATION BY APPLICANT

The undersigned requests that this Application be submitted for review to the Oneida County Industrial Development Agency (the "Agency") and its 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, Tax Exemption & Bond Status 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 exemption benefits received with the action of the Agency. For Applicants not responding to the Agency's request for reports by the stated due date, a $500 late fee will charged to the Applicant for each 30-day period the report is late beyond the due date, up until the time the report is submitted. Failure to provide such reports as provided in the transaction documents will be an Event of Default under the Lease (or Leaseback) Agreement between the Agency and Applicant. In addition, a Notice of Failure to provide the Agency with an Annual Employment, Tax Exemption & Bond Status Report may be reported to Agency board members, said report being an agenda item subject to the Open Meetings Law.

3. **Absence of Conflict of Interest**. The Applicant has consulted the Agency website of the list of the Agency 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 (if none, state "none"):

4. **Hold Harmless**. Applicant hereby releases the Agency and its members, officers, servants, agents and employees 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 Agency has disclosed that the actions and activities of the Agency 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.

6. The Applicant acknowledges that the Agency is subject to New York State's Freedom of Information Law (FOIL). **Applicant understands that all Project information and records related to this application are potentially subject to disclosure under FOIL subject to limited statutory exclusions**.

7. The Applicant acknowledges that it has been provided with a copy of the Agency's recapture policy (the "Recapture Policy"). The Applicant covenants and agrees that it fully understands that the Recapture Policy is applicable to the Project that is the subject of this Application, and that the Agency will implement the Recapture Policy if and when it is so required to do so. The Applicant further covenants and agrees that its Project is potentially subject to termination of Agency financial assistance and/or recapture of Agency financial assistance so provided and/or previously granted.

8. 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.

9. 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.

10. 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.

11. 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.

12. 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.

STATE OF NEW YORK)
COUNTY OF ~~ONEIDA~~ Saratoga) ss.:

Alfio Bonaccio Jr., being first duly sworn, deposes and says:

1. That I am the Managing Member (Corporate Office) of B240 LLC (Applicant) and that I am duly authorized on behalf of the Applicant to bind the Applicant.

2. That I have read the attached Application, I know the contents thereof, and that to the best of my knowledge and belief, this Application and the contents of this Application are true, accurate and complete.

(Signature of Officer)

Subscribed and affirmed to me under penalties of perjury this 6 day of May, 2019.

Brandee Armer
(Notary Public)

BRANDEE ARMER
NOTARY PUBLIC-STATE OF NEW YORK
NO. 01AR6335030
QUALIFIED IN SARATOGA COUNTY
MY COMMISSION EXPIRES 12-28-2019

If the application has been completed by or in part by other than the person signing this application for the applicant please indicate who and in what capacity:

By:_____

Name: _____

Title: _____

Date:_____

Return the original signed and notarized application and two copies with a check in the amount of $1500.00 made payable to: **Oneida County Industrial Development Agency (OCIDA)**, 584 Phoenix Drive, Rome, New York 13441-1405, Attn.: Shawna M. Papale, Executive Director. $1000 will be applied at closing against the IDA closing fee. In addition, please send an electronic version of the application (signed), and SEQR form (signed), to spapale@mvedge.org.

Projected Impact of Project on Employment

	Est SF	Est FTE	Est PTE	Est Salary Range
Management Company	600	2		$30,000-$50,000
Office Tenant	6000	12		$50,000-$80,000
Restaurant Tenant	5000	2	5	$35,000-$50,000
Coffee Shop Tenant	2000	1	3	$35,000-$50,000
Daycare Tenant	5000	6	4	$25,000-$45,000
Salon Tenant	1500	1		$25,000-$45,000
Dry Cleaner Tenant	1500	2		$35,000-$50,000
Office Tenant	9000	15		$40,000-$55,000
Total Impact	30600	41	12	

Based upon similar mixed-use communities in the Capital District. However, Rome is an emerging market & we would request a longer cure period should estimates not be met.

The FTE equivalent of the PTE is 6.

The intent of this project, as described above, is that no more than 12.5% consists of facilities that are primarily used for making sales of goods or services to customers who personally visit the project site.

Agency Fee Schedule

Commitment Fee: $1,000 – due following the initial inducement but prior to scheduling of the public hearing; this amount is non-refundable if the applicant fails to close on the project before the IDA. Upon closing with the IDA this amount is applied to the closing fees.

Bond Fees: ½ of 1% of total bond amount

IDA Agency Fee: PILOT, Mortgage Recording Exemption, Sales Tax Exemption:

- Up to a $1.0 Million project - $5,000
- Above $1.0 Million project up to $10.0 Million project – ½ of 1% of total project cost.
- Above $10.0 Million project – ½ of 1% of total project cost up to $10.0 Million plus incremental increase of ¼ of 1% of total project above $10.0 Million.

Transaction Counsel/Agency Counsel fee:
Set by Bond/Transaction Counsel based upon the nature and complexity of the transaction. This applies to bond and non-bond transactions (leasebacks, sale-leasebacks, etc).

Transaction Counsel/Agency Counsel fees for bond transactions typically will not exceed 2% of the bond amount or project costs. Transaction Counsel/Agency Counsel fees for a sale-leaseback/lease-leaseback transaction are typically $8,500 to $10,000 if no commercial financing is involved or $10,000 to $12,000 if commercial financing is involved. You will receive an engagement letter with a quote based upon the scope of your project.

Annual Fee:
For the term in which the property remains in the IDA's name, an annual lease payment is due in the amount of $750. The first payment is due at closing and subsequent payments are due each January 1. For annual fees not paid and delinquent, a late charge of $50 per month will be levied until such time the fee plus late charges are paid.

Other fees:
If Applicant requests the IDA enter into subsequent transactions following closing (i.e., a facility refinance), the IDA will charge a closing fee equal to 1/8 of one percent of the total reissuance, redemption, new or revised mortgage, refinancing, spreading agreement or other transaction with a minimum payment due of $500. Applicant will also be responsible to pay any legal fees the IDA incurs in connection with said transaction.

Revised 7-12-16

Please complete EITHER a Short Environmental Assessment Form (EAF) or Full Environmental Assessment Form (EAF) and submit the applicable form with your application. Consult with your project engineer or architect if you have any questions which form is appropriate for your project.

Short Environmental Assessment Form
Part 1 - Project Information

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

Name of Action or Project:
Development of a Mixed-Use Project at B240 Site in Griffiss Business and Technology Park

Project Location (describe, and attach a location map):
Previous Building 240 Site at Griffiss Business and Technology Park, Rome, NY

Brief Description of Proposed Action:
Development of Two multi-story multi-use buildings including commercial and residential uses, associated parking, pedestrian amenities and infrastructure.

Name of Applicant or Sponsor:	Telephone: 518-584-9007
B240, LLC	E-Mail: kate@bonacio.com

Address:
18 Division Street, Suite 401

City/PO:	State:	Zip Code:
Saratoga Springs	NY	12866

	NO	YES
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.	☑	☐
2. Does the proposed action require a permit, approval or funding from any other government Agency? If Yes, list agency(s) name and permit or approval: Oneida County Industrial Development Agency, City of Rome Planning Board, Oneida County Planning Board	☐	☑

3. a. Total acreage of the site of the proposed action? ~4.3 acres
   b. Total acreage to be physically disturbed? ~4.0 acres
   c. Total acreage (project site and any contiguous properties) owned or controlled by the applicant or project sponsor? ~4.3 acres

4. Check all land uses that occur on, are adjoining or near the proposed action:

5. ☐ Urban ☐ Rural (non-agriculture) ☐ Industrial ☑ Commercial ☑ Residential (suburban)
   ☐ Forest ☐ Agriculture ☐ Aquatic ☑ Other(Specify): NYS Route 825
   ☐ Parkland

	NO	YES	N/A
5. Is the proposed action,			
a. A permitted use under the zoning regulations?	☐	☑	☐
b. Consistent with the adopted comprehensive plan?	☐	☑	☐

	NO	YES
6. Is the proposed action consistent with the predominant character of the existing built or natural landscape?	☐	☑

	NO	YES
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
8. a. Will the proposed action result in a substantial increase in traffic above present levels?	☑	☐
b. Are public transportation services available at or near the site of the proposed action?	☑	☐
c. Are any pedestrian accommodations or bicycle routes available on or near the site of the proposed action?	☐	☑

	NO	YES
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
10. Will the proposed action connect to an existing public/private water supply? If No, describe method for providing potable water: _____	☐	☑

	NO	YES
11. Will the proposed action connect to existing wastewater utilities? If No, describe method for providing wastewater treatment: _____	☐	☑

	NO	YES
12. a. Does the project site contain, or is it substantially contiguous to, a building, archaeological site, or district which is listed on the National or State Register of Historic Places, or that has been determined by the Commissioner of the NYS Office of Parks, Recreation and Historic Preservation to be eligible for listing on the State Register of Historic Places?	☑	☐
b. Is the project site, or any portion of it, located in or adjacent to an area designated as sensitive for archaeological sites on the NY State Historic Preservation Office (SHPO) archaeological site inventory?	☐	☑

	NO	YES
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?	☑	☐
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: _____		

14. Identify the typical habitat types that occur on, or are likely to be found on the project site. Check all that apply:

☐ Shoreline ☐ Forest ☐ Agricultural/grasslands ☐ Early mid-successional

☐ Wetland ☐ Urban ☐ Suburban

	NO	YES
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?	✓	
16. Is the project site located in the 100-year flood plan?	✓	
17. Will the proposed action create storm water discharge, either from point or non-point sources? If Yes,		✓
a. Will storm water discharges flow to adjacent properties?	✓	
b. Will storm water discharges be directed to established conveyance systems (runoff and storm drains)? If Yes, briefly describe:	✓	
18. Does the proposed action include construction or other activities that would result in the impoundment of water or other liquids (e.g., retention pond, waste lagoon, dam)? If Yes, explain the purpose and size of the impoundment: Traditional and green infrastructure practices will be developed to manage stormwater quality and runoff.		✓
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:	✓	
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: NYSDEC has provided an environmental clearance for the property and the deed restrictions were lifted. Please see attached supplemental information.		✓

I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND ACCURATE TO THE BEST OF MY KNOWLEDGE

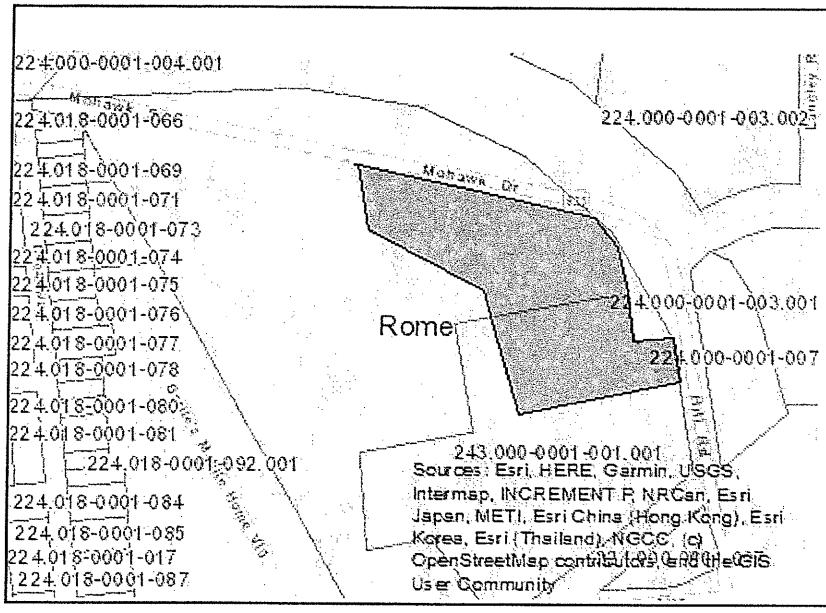
Applicant/sponsor/name: B240 LLC by Alfio Bonanno Jr Date: 5/6/19

Signature: Title: Managing Member

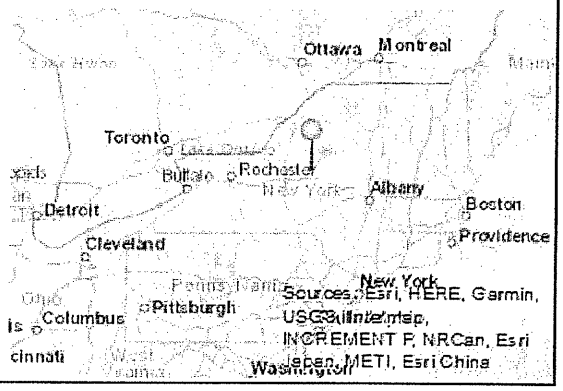
PRINT FORM

EAF Mapper Summary Report

Friday, May 03, 2019 1:47 PM



Disclaimer: The EAF Mapper is a screening tool intended to assist project sponsors and reviewing agencies in preparing an environmental assessment form (EAF). Not all questions asked in the EAF are answered by the EAF Mapper. Additional information on any EAF question can be obtained by consulting the EAF Workbooks. Although the EAF Mapper provides the most up-to-date digital data available to DEC, you may also need to contact local or other data sources in order to obtain data not provided by the Mapper. Digital data is not a substitute for agency determinations.



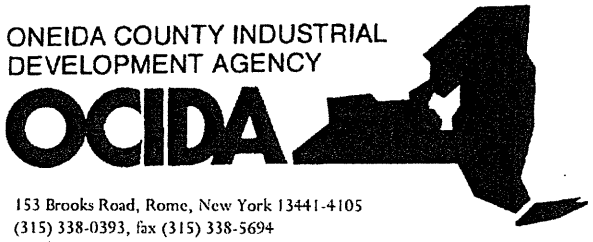
Part 1 / Question 7 [Critical Environmental Area]	No
Part 1 / Question 12a [National or State Register of Historic Places or State Eligible Sites]	No
Part 1 / Question 12b [Archeological Sites]	Yes
Part 1 / Question 13a [Wetlands or Other Regulated Waterbodies]	No
Part 1 / Question 15 [Threatened or Endangered Animal]	No
Part 1 / Question 16 [100 Year Flood Plain]	No
Part 1 / Question 20 [Remediation Site]	Yes

Anthony J. Picente Jr.
County Executive

David Grow
Chairman

Natalie Brown
Vice Chairman

Shawna M. Papale
Executive Director/Secretary



153 Brooks Road, Rome, New York 13441-4105
(315) 338-0393, fax (315) 338-5694
info@mvedge.org www.mvedge.org

Ferris Betrus
Michael Fitzgerald
Eugene Quadraro
Michael Valentine
Steven Zogby

MEMORANDUM TO COMPANIES
SALE-LEASEBACK TRANSACTIONS

1. When a Company decides that a sale-leaseback transaction may suit its particular needs, the first order of business is for the Company to complete an Application for Financial Assistance, together with an Environmental Impact Questionnaire, Cost/Benefit Analysis and Statement of the Project Applicant (referred to collectively as the "Application"). The Application is submitted to Agency Counsel for a formal decision as to whether or not the project qualifies as a "project," as defined by law.

2. No action can be taken until the Application is completed and submitted to the Agency and approved by Agency Counsel.

3. Upon completion of the Application and approval by Agency Counsel, the Agency will meet for the purpose of adopting an Inducement Resolution and reviewing the Environmental Impact Questionnaire, Cost/Benefit Analysis and Statement of the Project Applicant. At this time a Resolution may be adopted by the Agency concerning the environmental impact. **Please note that the Agency is subject to the Open Meetings Law, and all meetings will be open to the public, *including news media*.**

4. The Company is expected and encouraged to have its own counsel. The Company is also required to reimburse the Agency for all legal expenses incurred in furtherance of a proposed transaction, whether or not that transaction is completed. This includes all fees and disbursements of Agency Counsel.

5. The Company will be asked to sign an Inducement Agreement, which sets forth the terms of the proposed transaction and the obligations of the parties in furtherance of the same. The Company will also be asked to provide Agency Counsel with certain

information concerning the formation of the corporation or partnership, a survey of the property, title insurance, insurance certificates, etc. before the transaction can close. All matters in connection with the transfer of the real estate will be handled primarily by Company Counsel with the assistance of Agency Counsel.

6. A Public Hearing may be required in accordance with the New York State General Municipal Law, after which the Oneida County Executive must approve or disapprove the issue. Notice of the Public Hearing must be published at least thirty (30) days prior to the Hearing in the newspaper where the project is located. The highest elected official of each affected taxing jurisdiction must also receive thirty day written notice of the Hearing.

   No financial benefits may be granted by the Agency to the Company until after the Public Hearing if required.

7. Agency Counsel has certain requirements as to those documents which must be included in the transaction and the content thereof, including but not limited to requiring environmental impact surveys, environmental indemnifications and general indemnifications.

8. The fee schedule is attached, covering the Agency fee, the Agency's work with respect to the project and the work of Agency Counsel.

   The estimated fees for Agency Counsel may vary depending on the nature of the project. The initial fee quote assumes that the transaction closes within ninety (90) days from the date of the inducement, that there will be no unusual questions of law or prolonged negotiations regarding the documents, and that the involvement or assistance from other agencies will not require substantial modifications to the typical structure and documentation of similar transactions. The fee quote also assumes that Agency Counsel will not be called upon to coordinate with any lender, as the Agency is not issuing bonds. The fee quote assumes that closing will take place by mail and will not necessitate attending meetings with the Company or any lender.

9. Once the terms and conditions of the transaction are fairly well established, Agency Counsel prepares preliminary drafts of the financing documents and distributes them to all parties for review and comment. Comments accepted by all counsel will result in redrafting of documents. The parties establish a mutually agreeable closing date, and final documents for execution are prepared.

10. The Agency then conducts a meeting whereby it adopts an Authorizing Resolution, under which the Agency approves of the form of the documents and authorizes the Chairman to execute the same.

11. The closing takes place.

12. Some of the benefits available to a company under a sale-leaseback transaction are as follows:

⇒ Exemption from New York State mortgage recording tax
⇒ Exemption from New York State sales tax for materials used in construction
⇒ Real property tax abatement on the value added to the project (for more information, please see the Uniform Tax Exemption Policy enclosed herewith)

c:1997/ocida/irbmemo3.doc/lsr_pc

MEMORANDUM TO APPLICANTS FINANCING AN IDA PROJECT THROUGH A COMMERCIAL LENDER

We have found it helpful to outline at the onset of a transaction the basic structure of financing when an industrial development agency ("IDA") has a fee or leasehold interest in a property and is party to a mortgage or other financing instrument. **Please give a copy of this memorandum to your lender as early in the financing process as possible.**

An IDA is party to a financing instrument purely as a conduit for financial assistance (in the case of granting exemptions from mortgage recording tax) and to grant its interest in the facility to the lender. To preserve the passive nature of its role, the IDA cannot assume any obligations or make any representations that a traditional Borrower would make to a lender. It has been our experience that the easiest way to accomplish this is to define the Borrower as the "Borrower," define the IDA as the "Agency," and only include the Agency in the granting clause and with respect to the assignment of rents, inasmuch as those are the only reasons that the Agency is party to this document.

Furthermore, because PILOT Payments are contractual obligations and are not given the same high priority as tax payments, we crafted some language that will restore the taxing jurisdictions to the same position they would have been but not for the IDA involvement in the project. While it is not disputed that is an equitable arrangement, certain lenders have expressed concern that, because the requirement to pay PILOT Payments is contained in a private contract, there is no prescribed process to avoid significant delinquencies as there is under a tax foreclosure. It has been our experience the easiest way to accomplish this is for a lender to escrow PILOT Payments so it is has the assurance that payments are made in a timely manner. If a lender does not wish to escrow PILOT Payments, an alternative is for the IDA to record a PILOT Mortgage that would be given first priority over the lender's mortgage, similar to the priority taxes have.

Below are certain provisions we require be incorporated into each financing document to which the IDA is a party (please modify capitalized terms accordingly):

1. **AGENCY PROVISIONS.**

a. Agency makes no covenants other than to mortgage all of its interest in the Premises excepting its Unassigned Rights (as said term is defined in the Leaseback Agreement).

b. **NO RECOURSE AGAINST AGENCY**: Lender agrees that Lender will not look to the Agency or any principal, member, director, officer or employee of the Agency with respect to the Indebtedness or any covenant, stipulation, promise, agreement or obligation contained in this Mortgage. In enforcing its rights and remedies under this Mortgage, Lender will look solely to the Premises for the payment of the Indebtedness and for the performance of the provisions hereof. Lender will not seek a deficiency or other money judgment against the Agency or any principal, member, director, officer or employee of the Agency and will not institute any separate action against the Agency by reason of any default which may occur in the performance of any of the terms and conditions of any documents evidencing the Indebtedness.

c. **HOLD HARMLESS**: Borrower and Lender agree that the Agency, its directors, members, officers, agents (except the Borrower) and employees shall not be liable for and Borrower agrees to defend, indemnify, release and hold the Agency, its directors, members, officers, agents (except the Borrower) and employees harmless from and against any and all (i) liability for loss or damage to Property or injury to or death of any and all Persons that may be occasioned by, directly or indirectly, any

cause whatsoever pertaining to the Facility or arising by reason of or in connection with the occupation or the use thereof or the presence of any Person or Property on, in or about the Facility or the Land or (ii) liability arising from or expense incurred by the Agency's financing, acquiring, constructing, renovating, equipping, owning and leasing of the Facility, including without limiting the generality of the foregoing, all claims arising from the breach by the Borrower of any of their respective covenants contained herein and all causes of action and attorneys' fees and any other expenses incurred in defending any claims, suits or actions which may arise as a result of any of the foregoing, provided that any such losses, damages, liabilities or expenses of the Agency are not incurred or do not result from the gross negligence or intentional or willful wrongdoing of the Agency, or any of its directors, members, agents (except the Borrower) or employees. The foregoing indemnities shall apply notwithstanding the fault or negligence in part of the Agency or any of its members, directors, officers, agents or employees and irrespective of the breach of a statutory obligation or the application of any rule of comparative or apportioned liability.

d. **SPECIAL OBLIGATION**. The obligations of the Agency under the Mortgage and Financing Documents constitute a special obligation of the Agency, and all charges payable pursuant to or expenses or liabilities incurred thereunder shall be payable solely out of the revenues and other moneys of the Agency derived and to be derived from the leasing of the Facility, any sale or other disposition of the Equipment and as otherwise provided in the Authorizing Resolution, the Leaseback Agreement and the PILOT Agreement. Neither the members, officers, agents (except the Borrower) or employees of the Agency, nor any person executing the Mortgage and Financing Documents on behalf of the Agency, shall be liable personally or be subject to any personal liability or accountability by reason of the leasing, construction, renovation, equipping or operation of the Facility. The obligations of the Agency under the Financing Documents are not and shall not be an obligation of the State or any municipality of the State and neither the State nor any such municipality (including, without limitation, the County of Oneida), shall be liable thereon.

e. **SUBORDINATION TO PILOT AGREEMENT**: This Mortgage shall be subject and subordinate to any PILOT Agreement between the Borrower and the Agency with respect to the payments in lieu of taxes assessed or imposed upon the Premises, and by accepting this Mortgage, Lender acknowledges and agrees that such PILOT payments shall have the same force, priority and effect as a real property tax lien under New York State law against the Premises.

If a lender chooses to escrow PILOT Payments, we will incorporate the following provisions into the Leaseback (or Lease) Agreement:

Section 9.13 Subordination to Mortgage. This Leaseback Agreement and the rights of the Company and the Agency hereunder (other than with respect to the Unassigned Rights) are subject and subordinate to the Lien of the Mortgage, and all extensions, renewals or amendments thereof. The subordination of this Leaseback Agreement to the Mortgage shall be automatic, without execution of any further subordination agreement by the Company or the Agency. Nonetheless, if the Bank requires a further written subordination agreement, the Company and the Agency hereby agree to execute, acknowledge and deliver the same.

Section 9.14 Rights of Bank.

(a) Bank is hereby given the right by the Agency, in addition to any other rights herein granted, without any requirement to obtain the Agency's consent, to mortgage the mortgagors' respective interests in the Facility and, in the case of the Company, to assign and grant a security interest in the Company's rights under the Company Documents as collateral security for its obligations to the Bank, upon the condition that all rights acquired by Bank shall be subject to all rights and interests of the

Agency herein and in the other Company Documents, none of which covenants, conditions or restrictions is or shall be waived by the Agency by reason of this right to mortgage or grant a security interest in the Facility and the Company Documents, including Unassigned Rights.

(b) There shall be no renewal, cancellation, surrender, acceptance of surrender, material amendment or material modification of this Leaseback Agreement or any other Company Document by joint action of the Agency and the Company alone, without, in each case, the prior consent in writing of Bank, nor shall any merger result from the acquisition by, or devolution upon, any one entity of any fee and/or leasehold estates or other lesser estates in the Facility. Failure of the Bank to consent to a modification of this Leaseback Agreement by the Agency shall constitute an Event of Default.

(c) If the Agency serves a notice of default upon the Company, it shall also serve a copy of such notice upon Bank at the address set forth in Section 9.1.

(d) In the event of any default by the Company under this Leaseback Agreement or any other Company Document, the Bank shall have fifteen (15) days for a monetary default and thirty (30) days in the case of any other default, after notice to the Company and the Bank of such default to cure or to cause to be cured the default complained of and the Agency shall accept such performance by or at the instigation of Bank as if same had been done by the Company. The Agency in its sole discretion will determine whether such action by the Bank amounts to a cure.

(e) Except where Bank or its designee or nominee has succeeded to the interest of the Company in the Facility, no liability for any payments to be made pursuant to this Agreement or the performance of any of the Company's covenants and agreements under this Agreement shall attach to or be imposed upon the Bank, and if the Bank or its nominee or designee succeeds to the interest of the Company in the Project, all of the obligations and liabilities of the Bank or its nominee or designee shall be limited to such entity's interest in the Facility and shall cease and terminate upon assignment of this Leaseback Agreement by the Bank; provided however, that the Bank or its nominee or designee shall pay all delinquent PILOT Payments, if any, prior to said assignment.

(g) Notwithstanding any provision of this Leaseback Agreement or any other Company Document to the contrary, foreclosure of a mortgage or any sale of the Company's interest in this Leaseback Agreement and/or the Facility in connection with a foreclosure, whether by judicial proceedings, or any conveyance of the Company's interest in this Agreement and/or the Facility to Bank by virtue of or in lieu of foreclosure or other appropriate proceedings, or any conveyance of the Company's interest in this Leaseback Agreement and/or the Facility by Bank shall not require the consent or approval of the Agency and failure to obtain the Agency's consent shall not be a default or Event of Default hereunder.

Oneida County Industrial Development Agency Recapture Policy
(Effective April 25, 2017)

DEFINITIONS:

"Company"	is the entity that applied for and received a benefit from the Agency.
"Agency"	is the Oneida County Industrial Development Agency.
"AER"	is the Company's annual report of employment required to be provided to the Agency.
"Employment Obligation Term"	shall mean the period during which the Company is receiving a benefit in the form of lower payment in lieu of taxes than their real estate taxes would be.
"Employment Obligation"	shall mean the number of FTEs employed by the Company in Oneida County and selected by the Agency as the Company's obligation.
"FTE"	shall mean a full time employee that has a minimum of thirty-five (35) scheduled hours per week, or any combination of two or more part-time employees that work a minimum of fifteen (15) scheduled hours per week, when combined together, constitute the equivalent of a minimum of thirty-five (35) scheduled hours per week, and whose workplace location is the project facility. For this purpose an employee shall include a leased employee regularly retained by the Company.
"Benefit"	shall mean the amount the Company saved by making payments in lieu of real property taxes in a particular year. For example, if a Company's PILOT payment is equal to 75% of normal real property taxes, then the Company's Benefit for that year would be an amount equal to 25% of normal real property taxes.
"Per Employee Amount"	shall mean an amount equal to the Benefit for the year after the year of the Shortfall divided by the "Employment Obligation".
"Shortfall"	shall mean the difference between the Employment Obligation and the actual number of FTEs per the AER for the applicable year.
"Major Shortfall"	shall mean having FTEs that are less than 50% of the Employment Obligation.
"Minimum Standard"	shall mean a Company whose AER shows that they are short of meeting its Employment Obligation by 20%.
"Initial Benefit"	shall be the amount of savings the Company received through the Agency, in the form of Mortgage Recording Tax and New York State Sales Tax.
"Cure Period"	shall mean the period ending June 30th of the year following the Major Shortfall.

1. **Job Creation and Retention Obligations.**

After the expiration of the Employment Obligation Term, the Company shall have no further obligation with respect to the Employment Obligation and shall not be liable for any of the payments described below.

The failure of the Company to satisfy the Employment Obligation can subject the Company to payments to the Agency. The Company shall be required to make payments if it fails to attain the Minimum Standard.

If the Company falls below the Minimum Standard, the Agency will notify the Company in writing of the Agency's intention to recapture Financial Assistance. The Company will have thirty (30) days to respond to the letter and may include a request to appear before the Agency. The Agency will determine, in its sole discretion, if a valid exemption exists and potentially reduce the remedies described below.

2. **Projects with less than Ten Years Employment Obligation Term.**

(a) Shortfall Payments.

(1) If, during the first three (3) years of the Employment Obligation Term a Company fails to achieve the Minimum Standard, then the Company shall pay to the Agency an amount equal to (a) the Per Employee Amount multiplied by (b) the Shortfall and then multiplied by (c) 1.5.

(2) If, after the first (3) years, of the Employment Obligation Term a Company fails to achieve the Minimum Standard, then the Company shall pay to the Agency an amount equal to (a) the Per Employee Amount multiplied by (b) the Shortfall.

(b) Major Shortfall Payment.

(1) If a Company shall incur a Major Shortfall; then, the Company shall pay to the Agency as an additional one-time payment an amount as set forth in the schedule below (such payment shall be referred to as the "Major Shortfall Payment").

Major Shortfall Occurs:	Percentage of Initial Benefit
Year 1	100%
Year 2	80%
Year 3	60%
Year 4	40%
Any Subsequent Year	20%

(2) Notwithstanding any of the foregoing, the Company shall not be liable for a Major Shortfall Payment unless the number of FTEs remains at less than 65% of the Employment Obligation at the expiration of a Cure Period. The Company shall have the opportunity at any time before the expiration of a Cure Period to provide additional information to the Agency regarding the Major Shortfall, and to request a waiver or amendment of this provision.

(3) Notwithstanding any of the foregoing, a Major Shortfall shall not apply where the Shortfall is a result of a major casualty to or condemnation of the facility. In the event of such major casualty or condemnation, the Company shall have no obligation to pay the Major Shortfall Payment.

(4) Qualification for a waiver of either (2) or (3) above shall be at the sole discretion of the Agency.

3. **Projects with Ten Years or Longer Employment Obligation Term.**

(a) Shortfall Payments.

(1) If, during the first five (5) years of the Employment Obligation Term a Company fails to achieve the Minimum Standard, then the Company shall pay to the Agency an amount equal to (a) the Per Employee Amount multiplied by (b) the Shortfall and then multiplied by (c) 1.5.

(2) If, after the first five (5) years of the Employment Obligation Term a Company fails to achieve the Minimum Standard, then the Company shall pay to the Agency an amount equal to (a) the Per Employee Amount multiplied by (b) the Shortfall.

(b) Major Shortfall Payment.

(1) If a Company shall incur a Major Shortfall, then the Company shall pay to the Agency as an additional one-time payment an amount as set forth in the schedule below.

Major Shortfall Occurs:	Percentage of Initial Benefit
Year 1	100%
Year 2	90%
Year 3	80%
Year 4	70%
Year 5	60%
Year 6	50%
Year 7	45%
Year 8	40%
Year 9	35%
Year 10	30%

(2) Notwithstanding any of the foregoing, the Company shall not be liable for a Major Shortfall Payment unless the number of FTEs remains at less than 65% of the Employment Obligation at the expiration of a Cure Period. The Company shall have the opportunity at any time before the expiration of a Cure Period to provide additional information to the Agency regarding the Major Shortfall, and to request a waiver or amendment of this provision.

(3) Notwithstanding any of the foregoing, a Major Shortfall shall not apply where the Shortfall is as a result of a major casualty to or condemnation of the facility. In the event of such major casualty or condemnation, the Company shall have no obligation to pay the Major Shortfall Payment.

(4) Qualification for a waiver of either (2) or (3) above shall be at the sole discretion of the Agency.

4. **Shift of Employment**. If the Shortfall or Major Shortfall is as a result of the Company shifting employment away from Oneida County, then the Agency will require the value of the Benefit and the Initial Benefit utilized to date to be repaid, with interest (determined as the New York State legal interest rate).

5. **Mandatory Recapture**. The Agency is mandated to recapture New York State sales tax benefits where:

a. The Project is not entitled to receive those benefits.

b. The exemptions exceed the amount authorized, or are claimed for unauthorized property or services.

c. The Company fails to use property or services in the manner required by the Leaseback Agreement.

6. **Return of Recaptured Funds.** If the Agency recaptures Initial Benefits or Benefits from a Company, the Agency shall return the recaptured funds promptly to the affected taxing jurisdiction, unless otherwise agreed to by the taxing jurisdiction, in accordance with the General Municipal Law.

The Agency shall have the right to reduce any payment required under this Policy, in extraordinary circumstances, in its sole discretion.

Anthony J. Picente Jr.
County Executive

Shawna M. Papale
Secretary/
Executive Director

James P. Castilla
Treasurer

ONEIDA COUNTY INDUSTRIAL
DEVELOPMENT AGENCY
OCIDA

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ONEIDA COUNTY INDUSTRIAL DEVELOPMENT AGENCY UNIFORM TAX EXEMPTION POLICY

Adopted by the Oneida County Industrial Development Agency on January 28, 1994, amended on December 21, 1998 and April 30, 2009

The Oneida County Industrial Development Agency (the "Agency") has adopted the following uniform tax exemption policies. These policies will be used for all projects for which the Agency may provide financial assistance, including bond (taxable and/or tax exempt) issuances and straight lease transactions. Final determinations regarding the extent to which financial assistance, if any, will be granted are solely within the discretion of the Agency.

I. Project Eligibility Criteria

(a) General Requirements

The Agency considers the following general factors in determining whether a project is eligible for financial assistance:

- The nature of the proposed project (e.g., manufacturing, commercial, civic).
- The nature of the property before the project begins (e.g., vacant land, vacant buildings).
- The economic condition of the area at the time of the application.
- The extent to which a project will create or retain permanent, private sector jobs.
- The estimated value of tax exemptions to be provided.
- The impact of the project and the proposed tax exemptions on affected tax jurisdictions.
- The impact of the proposed project on existing and proposed businesses and economic development projects in the County.
- The amount of private sector investment generated or likely to be generated by the proposed project.
- The likelihood of accomplishing the proposed project in a timely fashion.
- The effect of the proposed project upon the environment.

- The extent to which the proposed project will provide additional sources of revenue for municipalities and school districts in which the project is located.
- The extent to which the proposed project will provide a benefit (economic or otherwise) not otherwise available within the County of Oneida.

(b) Industrial and Manufacturing Projects

(1) Industrial and manufacturing projects generally qualify for financial assistance, subject to the eligibility criteria set forth in Part I (a) of this Policy.

(2) Due to the nature of the work, companies performing back-office operations that are regional or national in nature and a majority of which operations support activities outside of Oneida County will qualify as industrial and manufacturing. Research and development facilities and distribution centers that locate in Oneida County may also qualify as industrial and manufacturing.

(c) Retail Projects

The Agency will provide financial assistance to retail facilities only in accordance with the restrictions contained in New York State General Municipal Law Section 862(2), and subject to the eligibility criteria set forth in Part I (a) of this Policy. The Agency will also consider the competitive impact of the project.

Retail projects are generally not eligible for Agency assistance, with the following exceptions:

(i) Retail businesses that primarily serve customers located in Oneida County are generally not eligible for financial assistance unless located in a "highly distressed area" as defined in General Municipal Law §854(18), which includes projects located in an economic development zone or Empire Zone (as defined in New York State statute or regulation), or the project meets one of the other requirements of this paragraph (c);

(ii) Retail projects operated by not-for-profit corporations may be eligible for financial assistance;

(iii) Retail projects may be eligible for financial assistance provided an appropriate market analysis demonstrates that a majority of the project's customers are expected to come from outside of Oneida County and the project will not directly compete with existing businesses located in Oneida County; and

(iv) Retail businesses that primarily provide a product or a service that is otherwise not reasonably available in Oneida County may be eligible for financial assistance.

(d) Other Non-Industrial/Commercial Projects

Non-industrial/commercial projects may qualify for financial assistance at the discretion of the Agency, based upon its evaluation of the eligibility requirements set forth in Part I (a) of this Policy. The Agency confirms the following specific policies:

(i) Mixed or Multiple-Use Projects qualify for financial assistance, only with respect to that portion of the project that is used for purposes that qualify for financial assistance under this Policy.

(ii) Housing projects are generally not eligible for benefits, unless they

(a) service the elderly, low-income, assisted living or other groups with special needs; *or*

(b) promote employment opportunities and prevent economic deterioration, as confirmed by an appropriate market analysis, and such a determination is made by the Agency based upon all of the relevant facts.

II. **Real Property Tax Abatements**

If the Agency determines that a project will receive real property tax abatements, a Payment-In-Lieu-Of-Tax Agreement (the "PILOT") will be negotiated with each project owner (the "Company") and will substantially follow the following guidelines with final determinations to be made by the Agency.

(i) Real Property Acquired by Company as part of Project. If the Company is acquiring real property as part of the Agency project, then the Agency's real property tax exemption will be available with respect to all real property acquired by the Company as part of the project and improvements thereto.

(ii) Substantial Improvements to Existing Real Property Owned by Company. If the Company is making "Substantial Improvements" (as defined below) to existing real property owned by the Company, then the Agency's real property tax exemption will apply to both the existing real property and the improvements.

(iii) Non-Substantial Improvements to Existing Real Property. If the improvements to existing real property owned by the Company are not Substantial Improvements, then the Agency's tax exemption shall apply only to the increase in assessment resulting from improvements constructed or installed as part of the project and the Company shall pay PILOT payments equal to the full amount of taxes on the existing real property.

The term "Substantial Improvements" means the value of the improvements constructed or installed as part of the project equals at least 50% of the value of the real property prior to construction or installation of the improvements, as determined by an independent valuation acceptable to the Agency.

(a) Industrial and Manufacturing Projects

The Company shall pay a percentage of the taxes that would otherwise be payable if the project was not tax exempt, to each taxing jurisdiction in which the project is located, as follows:

1. 33 1/3% of such taxes through the fifth (5th) year of the exemption;

2. 66 2/3% of such taxes from the sixth (6th) through tenth (10th) year of the exemption;

3. 100% of such taxes after the tenth (10th) year of the exemption.

(b) ***Retail Projects***

The Company shall pay a percentage of the taxes that would otherwise be payable if the project was not tax exempt, to each taxing jurisdiction in which the project is located, as follows:

1. 50% of such taxes through the second (2nd) year of the exemption;

2. 75% of such taxes from the third (3rd) through the fifth (5th) year of the exemption;

3. 100% of such taxes after the fifth (5th) year of the exemption.

(c) ***OtherNon-Industrial/Commercial Projects***

The Company shall pay a percentage of the taxes that would otherwise be payable if the project was not tax exempt, to each taxing jurisdiction in which the project is located, as follows:

1. 50% of such taxes through the second (2nd) year of the exemption.

2. 75% of such taxes from the third (3rd) through fifth (5th) year of the exemption.

3. 100% of such taxes after the fifth (5th) year of the exemption.

The Agency reserves the right to deviate from the real property tax abatement policy on a case by case basis at its sole discretion.

III. Sales Tax Exemptions

If, based on the eligibility criteria described in Part I of this Policy, the Agency determines a project is eligible for financial assistance, the Agency's financial assistance will include exemption from sales and use tax for costs of constructing, renovating and equipping the project.

Sales and use tax exemption, when available, will be authorized for the duration of the acquisition, construction and equipping of the project as described in the application for financial assistance. The Agency shall deliver a sales tax exemption letter which will expire one (1) year from the date of the project inducement. If construction, renovation or equipping is not complete at the expiration of the original sales tax exemption letter, upon request by the Company, the sales tax exemption letter may be extended at the discretion of the Agency.

All Companies receiving sales and use tax exemption benefits will be required to supply the Agency with a list of all contractors and sub-contractors that have been authorized to use the sales tax exemption letter. This list will be appended to the sales tax exemption letter by the Agency.

The Company must keep a record of the usage of the sales tax exemption letter, and must supply the Agency with the total amount of sales and use tax exemptions claimed by the project for each calendar year. The Company must submit this report to the Agency by February 1st of each year, until the exempt period comes to a conclusion. The company shall also file all reports as may be required by applicable law, including Form ST-340 which shall be filed with the New York State Department of Taxation and Finance.

The Agency reserves the right to deviate from the sales tax exemption policy on a case by case basis at its sole discretion.

IV. Mortgage Recording Tax Exemption

If, based on the project eligibility criteria described in Part I of this Policy, the Agency determines a project is eligible for financial assistance, the Agency will provide an exemption from New York State mortgage recording tax for the financing of project costs.

The Agency reserves the right to deviate from the mortgage recording tax exemption policy on a case by case basis at its sole discretion.

V. Recapture

Agency financial assistance is granted based upon the Company's representation that the project will create and/or maintain the employment levels described in its application for financial assistance (the "Employment Obligation"). If a Company fails to achieve and/or maintain its Employment Obligation, it could result in recapture of all or a portion of tax benefits granted by the Agency.

VI. Deviations

Deviations from this Policy shall be infrequent. The Agency reserves the right, at its sole discretion, to deviate from this Policy on a case by case basis. The Agency will provide written notice to the chief executive officer of each affected tax jurisdiction of any deviation from this Policy and will comply with the deviation requirements of the General Municipal Law.

Oneida County Industrial Development Agency
Uniform Tax Exemption and Agency Benefits Policy
Market Rate Rental Housing Development Initiatives
(Effective March 1, 2015 and revised on April 20, 2018)

1. Overview :

In furtherance of the Oneida County Vision 2020 – "Path Toward Prosperity Initiative," the Oneida County Industrial Development Agency ("OCIDA") has created the following Uniform Tax Exemption and Agency Benefits Policy (the "Policy") to encourage development of specific types of market rate rental housing. The expansion of OCIDA's policy to support eligible market rate rental housing is largely driven by the anticipated employment opportunities that will be created by the nanotechnology and emerging innovation economy where a segment of the new work force that will be attracted to these type of jobs prefer market rate rental housing and unique urban living lifestyles.

The purpose of this Policy is to assist OCIDA in determining whether a housing project promotes employment opportunities and prevents economic deterioration in the area served by OCIDA, consistent with New York State Controller's Opinion No. 85-51 and the New York State General Municipal Law. This Policy is intended to be annexed to and made a part of OCIDA's Uniform Tax Exemption Policy adopted on January 28, 1994, amended on December 21, 1998 and April 30, 2009 (the "UTEP"). OCIDA reserves the right to deviate from this Policy at its discretion and in accordance with the General Municipal Law. This Policy is intended to terminate on December 31, 2023.

2. Eligible Housing Projects:

The types of housing eligible for OCIDA consideration include market rate (rental only): ***apartments, townhouses, condominiums, loft-style housing and new urbanism type of housing developments.***[1]***In order to be considered for OCIDA financial assistance pursuant to this Policy,*** *projects must have a minimum of five (5) units in a renovation or conversion of a building* and twenty-four (24) units for new construction, and achieve the minimum number of points to qualify for incentives in accordance with this Policy.

In addition, all applications for consideration must have a minimum project investment of $400,000 in renovation/construction projects and $1.2 Million for new construction rental housing projects.

All projects shall be subject to and in compliance with the New York State General Municipal Law and the UTEP. OCIDA's UTEP requires all applicants to file a Cost/Benefit Analysis that is deemed acceptable to OCIDA.

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[1] **New Urbanism** is an urban design movement which promotes walkable neighborhoods containing a range of housing and job types.

3. **Eligible Areas:**

OCIDA's Uniform Policy for Tier 1, Tier 2 and Tier 3 benefits are targeted for projects that lie in the defined areas of the cities of Rome, Sherrill and Utica and 2010 Census Urbanized Areas and incorporated villages, as shown on the maps that are annexed hereto and made a part of this Policy. Projects that lie outside the three cities or the historic villages but lie within the urbanized area must have water and sewer service in place in order to qualify for OCIDA consideration.

Eligible projects within the defined Eligible Areas will be considered for benefits provided the application can achieve the required minimum number of points.

4. **Criteria:**

OCIDA will entertain applications for assistance that fall within the following criteria, using the following 100 point scoring system for each application received:

Criteria	Description of Criteria	Points
Adaptive Reuse Projects	Projects that propose a change in use to an existing building (e.g., reuse of vacant or underutilized facility) or propose development on a vacant urban infill site[2] that is being repurposed or redeveloped for an eligible housing project.	25
Eligible Area Locations	Projects located within *Eligible Areas* (see attached map) that have a minimum of 5 units in a renovation or conversion of a building and 24 units for new construction, except for urban infill development projects where the IDA will entertain applications for projects located on a vacant urban infill site that has less than 24 units of eligible housing.	20
Utilizes Existing Infrastructure	Projects that ***utilize existing infrastructure*** (i.e. utilizing both existing sewer and water services and do not require system expansion. Modernizations, such as replacing existing pipes where service is already provided, are viewed favorably).	20
Community Benefits	Projects that create other benefits that inure to the benefit of the community that may include: rebuilding community infrastructure, pays sewer credits, creates or contributes to a community amenity, dedicates land to a municipality for a public improvement which benefits health and safety, removes slums and blighting influences (e.g., demolition or supports in-fill development within a neighborhood, commercial corridor, downtown, or main street area), provides an environmental enhancement (e.g., flooding wetlands creation/restoration, is part of a Brownfield, utilizes federal/state historic tax credit programs, provides mixed income rental units to support workforce housing, or provides other benefits deemed important and relevant by OCIDA.	5

[2] Urban infill site would include infill rental housing being constructed on vacant or underutilized property.

Green Projects	(1) Projects to be constructed on a New York State or federal defined Brownfield, such as a site designated as a federal or state Superfund site; a participant in the State Voluntary Cleanup Program; a former, verified Manufacturing Gas Plant, or within a Brownfield Opportunity Area; or (2) Projects whose plans qualify for a LEED Certification from the US Green Building Council (final certification required prior to commencement of the PILOT Agreement); or (3) Projects that incorporate geothermal technologies that are projected to make a significant impact on the stability, reliability and resilience of the grid. The physical geothermal plant providing energy to the Project must be located within Oneida County, turned on and connected to the grid, the energy generated must provide at least fifty percent (50%) of the energy needs for the Project, and more than fifty percent (50%) of the energy generated must be used in Oneida County.	10
Mixed Use Development Projects	Projects that are mixed use development with housing being at least –50% or more of a building's total area and the project induces job growth (mixed use development project proposes direct job creation with non-residential uses). To reach 20 points, must create at least 2 FTEs.	20
Total Points:		**100**

5. **Scoring of Housing Applications:**

OCIDA shall use this scoring system to determine the level of Agency benefits:

- Tier 1 Benefits: projects that score at least 60 points may receive abatement of real property taxes, exemptions from sales taxes and exemptions from mortgage recording taxes
- Tier 2 Benefits: projects that score between 50 to 59 points may receive abatement of real property taxes, exemptions from sales taxes and exemptions from mortgage recording taxes
- Tier 3 Benefits: projects that score 40 to 49 points may receive exemptions from sales taxes and exemptions from mortgage recording taxes (not eligible for abatement of real property taxes)

Term of PILOT Exemption Schedule	Tier 1 – PILOT Exemption Schedule	Tier 2 – PILOT Exemption Schedule
1	100%	75%
2	100%	75%
3	100%	75%
4	100%	75%
5	75%	50%
6	50%	25%
7	50%	
8	25%	
9	10%	
10	10%	

Applicants will pay 100% of all taxes due and owed until a Certificate of Occupancy is issued for a project, and then the first exemption year in the schedule will begin effective the first taxable status date after a Certificate of Occupancy is issued.

6. **Ineligible Housing Projects:**

OCIDA will not consider housing applications that propose new suburban subdivisions that serve single family detached housing or projects that are not located within the eligible areas as referenced in Section 3 and included on the map, which is attached hereto and made a part of this policy.

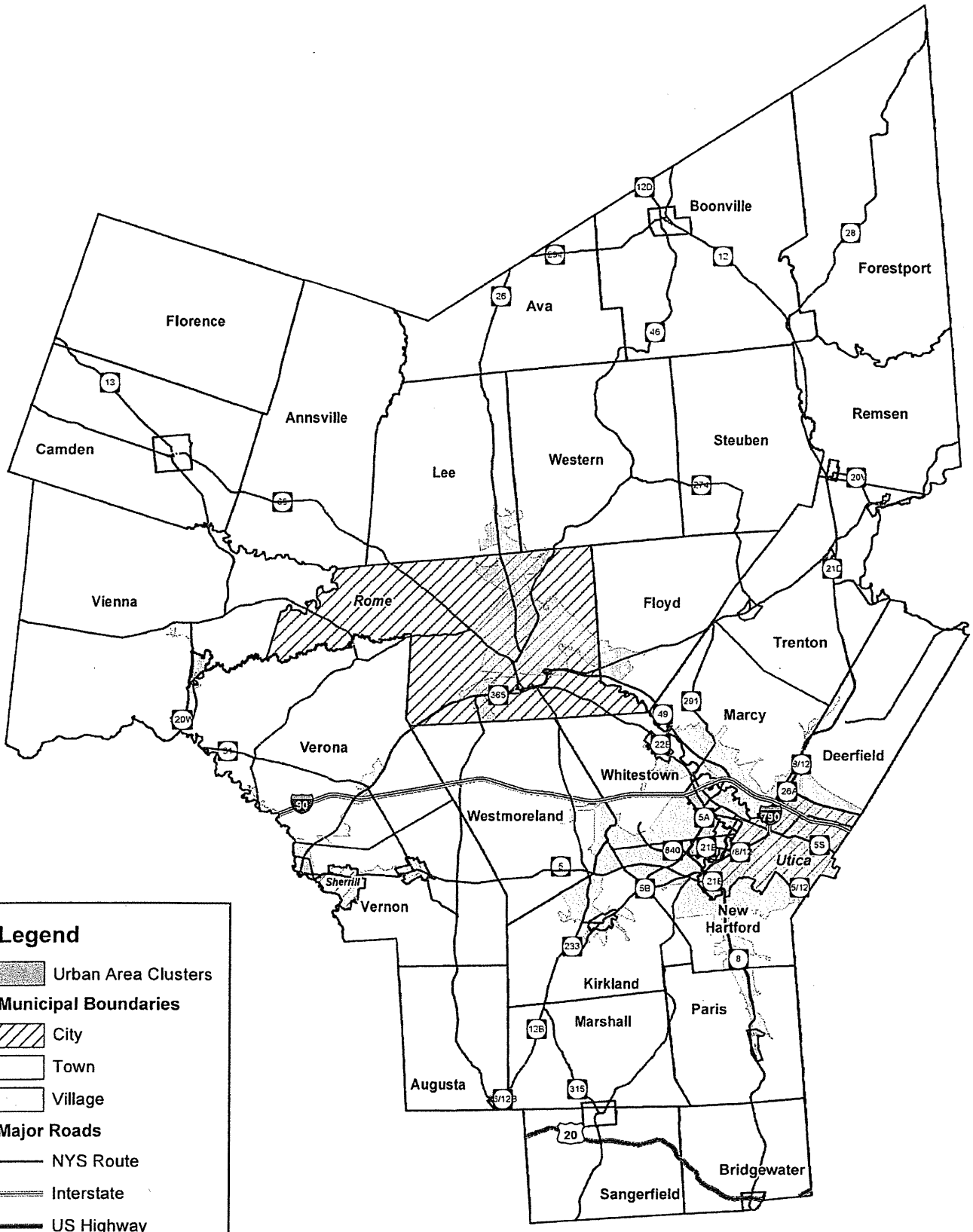
7. **Sunset Provision:**

The effective date of this policy will commence on the first day of the month following the date in which this Policy is formally approved in accordance with requirements set forth under Article 18A of the General Municipal Law and shall remain in effect for a period of five years, unless OCIDA elects to extend or modify the Policy.

All applicants who are granted approval during this time period will have twenty-four (24) months to complete their project, which shall be evidenced by issuance of a Certificate of Occupancy by the applicable local codes officer for the political subdivision where the project is situated. Receipt of a Certificate of Occupancy is required in order to receive all tax benefits that were granted in the final authorizing resolution approved by OCIDA.

8. **Agency Fees:**

The applicant will be required to remit to OCIDA all applicable fees (see fee schedule), including payment of all OCIDA legal costs associated with the project and an annual rent payment of $750, which is due as part of the lease agreement with OCIDA. A copy of the applicable fee schedule is included with the application package. When the application is submitted, the applicant shall submit a check for $1,500 which includes a non-refundable application fee of $500 and a commitment fee of $1,000 that will be applied at closing; if the project does not close the $1,000 is applied to legal fees incurred in connection with the application. Other than the application fee and the annual rent payment, all other fees shall be due and paid at closing.



N

Oneida County, NY
Urban Area Clusters

0 2.5 5 10 Miles

1 inch = 30,000 feet

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Updated: August 2017

April 2, 2018

Oneida County Industrial Development Agency (OCIDA)
Uniform Tax Exemption Policy
Business Relocation Assistance
(Mohawk Valley Health Systems Project)

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:

Year	4	5	6	7	8	9	10
Factor	1.0	1.0	1.2	1.4	1.6	1.8	2.0

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

Recapture:

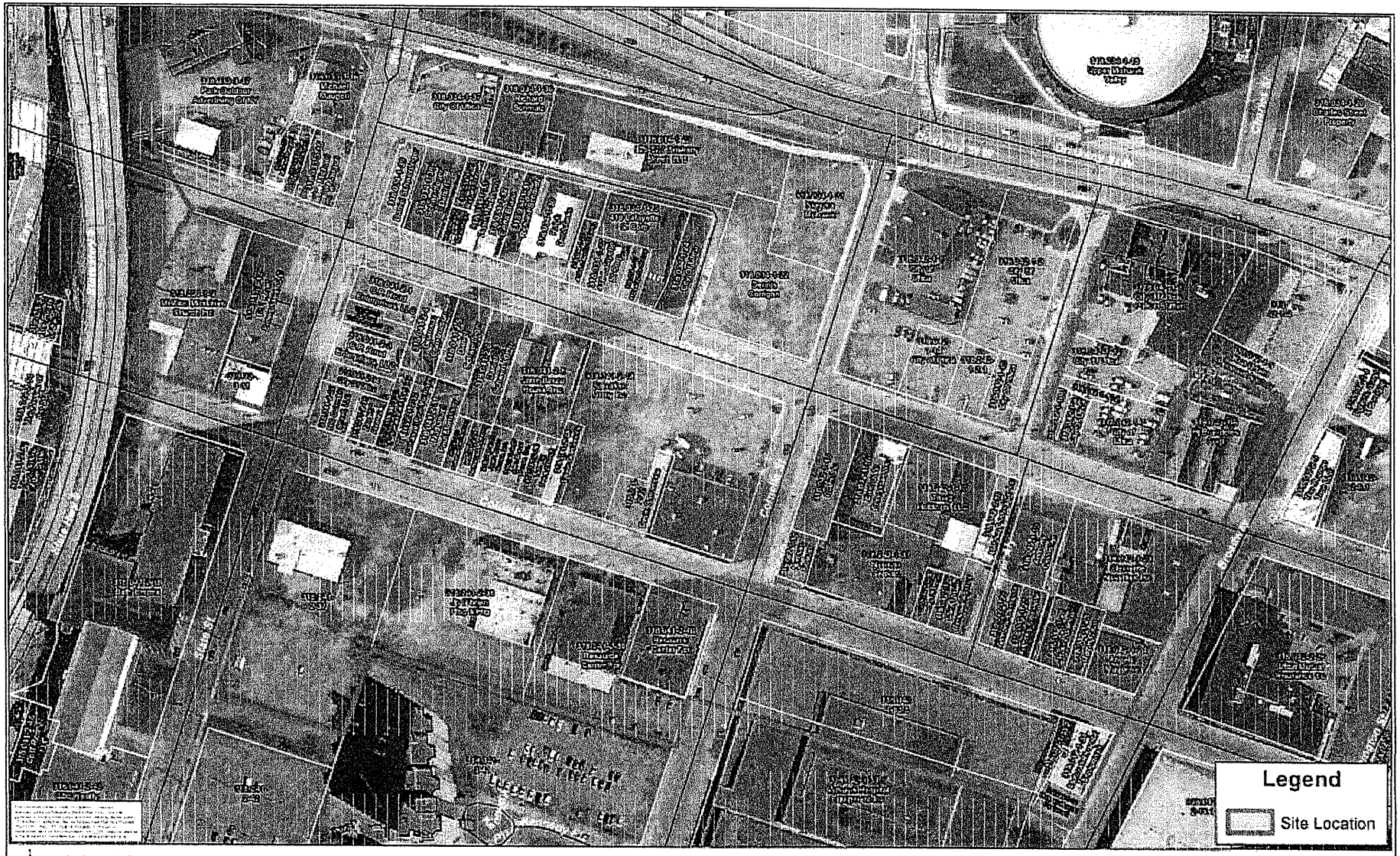
- Financial assistance is conditioned upon Applicant maintaining, at a minimum, for ten years in the Replacement Property, the number of FTE employees that the Applicant employed in the "Project Zone" in 2017.
- Applicants will be subject to the recapture policy established by the IDA.
- Reduced benefits 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.



1 inch = 120 feet

0 60 120 240 Feet

Proposed Hospital Site Location

Date: January 11, 2018
Date of Photography: April 2015

ONEIDA COUNTY INDUSTRIAL DEVELOPMENT AGENCY Corrected 15-May-19
COST/BENEFIT ANALYSIS
Required by §859-a(3) of the
New York General Municipal Law

Name of Applicant: B240 LLC

Description of Project: Mixed use: residential, commercial

Name of All Sublessees or Other Occupants of Facility: Apartment Operator
Various commercial tenants

Principals or Parent of Applicant: Alfio Bonancio Jr./Hampstead America LLC

Products or Services of Applicant to be produced or carried out at facility: Residential apartments and related commercial tenants

Estimated Date of Completion of Project: Dec-20

Type of Financing/ Structure:

	Tax-Exempt Financing
	Taxable Financing
	Sale/ Leaseback
X	Other: Lease Leaseback

Type of Benefits being Sought by Applicant:

	Taxable Financing
	Tax-Exempt Bonds
X	Sales Tax Exemption on Eligible Expenses Until Completion
X	Mortgage Recording Tax Abatement
X	Real Property Tax Abatement

Project Costs

Land	294000
Existing Building	
Existing Bldg. Rehab	
Construction of New Building	18137754
Addition or Expansion	
Engineering/ Architectural Fees	499363
Equipment	
Legal Fees (Bank, Bond, Transaction, Credit Provider, Trustee	45700
Finance Charges (Title Insurance, Environmental Review, Bank Commitment Fee, Appraisal, Etc.)	397844
Other Fees/Permits	20450
Other (provide detail)	412050
AGENCY FEE	76963
TOTAL COST OF PROJECT	**19884124**

Assistance Provided by the Following:

EDGE Loan:		
MVEDD Loan:		
Grants - Please indicate source & Amount:	1400000	NYS-ESD/City of Rome
Other Loans - Please indicate source & Amount:	14508000	Bank

Company Information

		Average Salary of these Positions
Existing Jobs	0	0
Created Jobs FTE (over three years)	47	50000
Retained Jobs	0	0

Earnings Information for Oneida County

Average Salary of Direct Jobs for Applicant	50000
Average of County Indirect Jobs	25000
Average of Construction Jobs	32000

Note: $1,000,000 in construction expenditures generates 15 person - years of employment

Construction Person Years of Employment: 91

Calculation of Benefits (3 Year Period)

		Total Earnings	Revenues
Direct Jobs			
	Created	7050000	299625
	Existing	0	0
Indirect Jobs			
	Created	8812500	374531.25
	Existing	0	0
Construction - only one year			
	Person Years	2902041	123337
TOTALS Calculation of Benefits (3 Year Period)		18764541	797493

TAXABLE GOODS & SERVICES

		Spending Rate	Expenditures	State & Local Sales Tax Revenues
Direct Jobs				
	Created	36%	2538000	247455
	Existing	0.36	0	0
Indirect Jobs				
	Created	0.36	3172500	309318.75
	Existing	0.36	0	0
Construction - only one year				
	Person Years	0.36	1044735	101862
TOTAL TAXABLE GOODS & SERVICES			6755235	658635

Local (3 year) real property tax benefit (assuming 60% of jobs existing and created own a residence) with an average assessment of $80,000 and the remainder of jobs existing created pay real property taxes through rent based on an average assessment per apartment of $50,000.

Tax Rate for School District where facility is located:		31.63407355	2018-2019
Tax Rate for Municipality where facility is located:		20.1959	2019
Tax Rate for County:		9.980341	2019
		60.048565	
Real Property Taxes Paid:	191915.2137		

COSTS:

Real Property Taxes Abated on Improvements Only (3 yr. Period):	2,397,783	Amount of Taxes that would be abated by applying PILo	
Mortgage Tax Abated (.75%)	119310		
Estimated Sales Tax Abated During Constructions Period (8.75%)	620000	(40% of the construction and Rehab costs times the NYS & Local Sales tax)	FF&E

NOTE: If there is a tax-exempt financing of all or a portion of the project cost, there is a neutral cost/benefit because of lower interest rates by reason of exclusion of interest from gross income of bondholders for purposes of Federal and State income taxes. Taxable financing carries the same cost/benefit for State Income Tax purposes. Such cost/benefits cannot be quantified.