OCIDA PROJECT MEMO –SEPTEMBER 21, 2018

HJ Brandeles

Currently: 300 LaFayette St., Utica
Proposed: Vicinity of northwest corner of Judd & Halsey Roads, Whitestown

Commercial mechanical contractor that furnishes, installs, services and maintains commercial HVAC and plumbing systems in offices, schools, industrial, medical, commercial and other facilities.

Proposed Project:

- Construction and equipping of 17,000 SF building, which will consist of approximately 3,800 square feet of office space, with the remainder of the area devoted to warehouse space. The project will also have a small parking lot, driveway, loading dock and rear fenced in yard.

Estimated Project Total Cost: - $1,800,000

Land	$	150,000.00
Construction of New Building	$	1,450,000.00
Engineering/ Architectural Fees	$	10,000.00
Fees and Permits	$	10,000.00
Fixtures/Installation	$	120,000.00
Equipment	$	50,000.00
Legal Fees (Bank, Bond, Transaction, Credit Provider, Trustee	$	10,000.00
Total	$	1,800,000.00

Employment: Retain: **45** FTE Create: **5** FTE

Estimated Incentives Request

(1) MVHS UTEP PILOT	**$ 223,297**
(2) Sales & UseTax Exemption	**$ 56,700**
(3) Mortgage Recording Tax Exemption	**$ 7,500**
Total:	**$ 287,497**

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.

H.J. Brandeles Relocation

Project Name

Number (to be provided by the agency)

Sept. 17, 2018
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: H.J. Brandeles Corp

1(b) Principal Address: 300 LaFayette St

PO Box 529

Utica, NY 13503

1(c) Telephone/Facsimile Numbers: p - 315-733-7565

f - 315-733-6346

1(d) Email Address: LFalvo@hjbrandeles.com

1(e) Federal Identification Number: 15-058-6122

1(f) Contact Person: Lou Falvo III

1(g) Is the Applicant a

- [ ] Corporation:
  If yes, Public [ ] Private [ ]
  If public, on which exchange is it listed? _____
- [X] 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) NY

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
Louis Falvo III	7 Compton Rd New Hartford, NY 13413	46%
Richard Falvo	201 Stonegate Rd New Hartford, NY 13413	46%

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. No

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: Jeff Reale

Firm: Getnick Livingston et al

Address: 258 Genesee St
Utica, NY 13502

Telephone/Fax: 315-797-9261

Email: JReale@getnicklivingston.com

3(b) Applicant's Accountant

Name/Title: Deb Fitzgerald

Firm: Barone and Howard

Address: 8504 Seneca Turnpike
New Hartford, NY 13413

Telephone/Fax: 315-797-6601

Email: dfitzgerald@bhcpapc.com

Business Description

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

We are a commercial mechanical contractor. We furnish, install, service and maintain commercial HVAC and plumbing systems. This includes system in offices, schools, industrial, medical, commercial and other facilities.

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.

Complete construction from the ground up of a 17,000 square foot building. This building will consist of approximately 3800 square feet of office space, with the remainder of the area devoted to warehouse space. The project will also have a small parking lot, driveway, loading dock and rear fenced in yard.
Required work will include:

- site clearing
- site preparation and storm water management
- septic system
- natural gas, electrical and phone service to the building
- footings, foundations, and structural members
- In floor radiant heat system and A/C system for office area
- LED lighting
- Fire sprinklers
- FF&E

Reasons for Project

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

Unfortunately, we are in the footprint of the MVHS Medical Center and as a result must vacate our location. We have looked for existing buildings but cannot find one that meets or needs in all required areas.

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

To assist us with this unanticipated and unexpected financial burden .

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?

[X] 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:

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

We would have to re-visit the size of our proposed building or expand or search area to further away from our current location for an existing building.

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 [X] 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?

[X] Yes No

If yes, is the proposed project reasonably necessary to preserve the competitive position of the Applicant in its respective industry? [X] 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.

We will be leaving our facility in Utica, NY. We have spoke at length with the City of Utica. They have offered options for relocation in Utica however, those options will not meet our needs. In particular, the options are either so costly that we cannot possibly afford or they are not properties that would provide the necessary efficiencies and space to properly operate our business. In other words, all of the options that the City has proposed would put either a financial strain that our business cannot support or cause serious operational inefficiencies to our business. We tried hard to find a location in Utica, as that is the most efficient spot to make our business competitive, but there were no options that would come close to serving the operation needs of our business.

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 [X] 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 [X] No
If yes, please explain.

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

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

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
- [X] Acquisition of machinery and/or equipment
- [X] 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	**Estimated Value $**
[X]	Real Property Tax Abatement	**223,297.25**
[X]	Mortgage Tax Exemption (.75%) $ 7500	
	Amount of mortgage: $ 1,000,000	
[X]	Sales and Use Tax Exemption ** (8.75%) $	**$56,700**
	Value of goods/services to be exempted from sales tax:$	**$648,000**
[ ]	Issuance by the Agency of Tax Exempt Bonds $	

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.

** ***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(m) through 7(q))

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

7(a) Street Address of Facility:

NW Corner of Judd Rd and Halsey Rd **Actual address TBD at later date by County 911**

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

Town of Whitestown **Whitesboro, NY mailing address**

7(c) School District:

Whitesboro

7(d) Tax Map Number(s):

304.000-1-62.1 (new tax map # TBD)

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.

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

Vacant land

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

Commercial

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

Facility will be 17,000 sq ft +/- with approx 4000 sq ft of office space and the remaining space is warehouse and construction operations. We will have a gates exterior area of approx 3,000 sq ft in the rear of the building for storage of items that cannot be put inside. Building will be a rectangle of approx 92 ft x 189 ft. Height of the building will be 24ft on the front and sides and 20' in rear. The roof will be a single slope pitch from the front to the rear of the building draining with gutters. Building will have windows on all 4 sides, a loading dock on one side and 2 overhead doors in the rear. Building will be constructed of insulated metal panels in 2 or 3 different colors. Building will have radiant heat, A/C in the office area, sprinkler system and LED lighting. A septic system is required at the rear of the property. Property will have approx 15 parking spaces.

7(h) Has construction or renovation commenced? [ ] Yes [X] 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: **Nov 2018**

Construction completion: **Sept 2019**

7(i) Will the construction or operation of the facility or any activity which will occur at the site require any local ordinance or variance to be obtained or require a permit or prior approval of any state or federal agency or body (other than normal occupancy and/or construction permits)?
[ ] Yes [X] No

If yes, please describe.

Has the Project received site plan approval from the planning department?
[ ] Yes [X] 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(j) Will the project have a significant effect on the environment? [ ] Yes [X] No

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

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

7(l) Is the site in a former Empire Zone? [ ] Yes [X] No
If yes, which Empire Zone: _____
Is project located in a Federal HUB Zone or distressed area: [ ] Yes [X] No
Provide detail.

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

7 (n) 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.

7 (o) 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.

7 (p) 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.

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

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.

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?_____%. **If the answer is less than 33% do not complete the remainder of the retail determination and proceed to next section.**

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.

All applicants answer the following questions.

4. Will the project preserve permanent, private sector jobs or increase the overall number of permanent, private sector jobs in the State of New York?

[X] Yes or [ ] No.

If yes, explain **Relocation will preserve current workforce of 50+ people and with greater efficiencies hopefully allow for more.**

5. Is the project located in a Highly Distressed Area? [ ] Yes or [X] No

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: **BHB Properties**

Address: 437 Oriskany Blvd
Whitesboro, NY 13492

Telephone:

Balance of Mortgage:

Holder of Mortgage:

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

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

8(d) Will the title owner of the facility/property also be the user of the facility?
[X] 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?
[X] Yes [ ] No

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

Name of Tenant	Floors Occupied	Square Feet Occupied	Nature of Business

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 [X] No
If yes, please explain. Provide detail of the contractual arrangement including any financial exchange for the use of the site or property.

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.

All materials required to construct the building. Also, FF&E items such as office furniture, storage cabinets, pictures, appliances, lighting, some computers, monitors, warehouse racks, shelves, bins, overhead doors, dock equipment, landscaping, paving, concrete, a/c systems, boiler, and all ancillary items that are part of the building structure

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? Building 50 years
Contents 20

Part VIII: Employment Information

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

Construction Jobs: 10-15

10(b) 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 - chart will auto-sum each category

Number of Jobs BEFORE Project	**Location 1**	**Location 2**	**Location 3**	**Location 4**	**Location 5**	**Total**
Address in NYS	300 LaFayette St Utica, NY	**Halsey Site**				
Full-Time Company	45	**0**				0 **45**
Full-Time Independent Contractors						0
Full-Time Leased						0
Total Full-Time BEFORE	0	0	0	0	0	0
Part-Time Company						0
Part-Time Independent Contractors						0
Part-Time Leased						0
Total Part-Time BEFORE	0 **45**	0 **0**	0	0	0	0 **45**

*Continued on next page

- chart will auto-sum each category

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	0	**50**				0 **50**
Full-Time Independent Contractors						0
Full-Time Leased						0
Total Full-Time AFTER	0	0 **50**	0	0	0	0 **50**
Part-Time Independent Company						0
Part-Time Independent Contractors						0
Part-Time Leased						0
Total Part-Time AFTER	0	0	0	0	0	0

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		**5**				0 **5**
Part-Time						0
Total AFTER	0	0 **5**	0	0	0	0 **5**

*Continued on next page

- chart will auto-sum each category

	Retained Jobs		Created Jobs	
SALARY AND BENEFITS	**Average Annual Salary**	**Average Fringe Benefits (as a percentage of wages)**	**Average Annual Salary**	**Average Fringe Benefits (as a percentage of wages)**
Management	$ 190,000	% 30	$	%
Administrative	$ 50,000	% 30	$ 40,000	% 30
Production	$ 68,000	% 35	$ 68,000	% 35
Independent Contractor	$	%	$	%
Other	$	%	$	%
Overall Weighted Average	$ **74000**	% **34**	$ **62,400**	% **34**

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

*** 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. A Full-Time Job works 35 hours or more per week. Agency staff converts Part-Time Jobs into Full-Time Equivalents (FTE) by dividing the number of Part-Time Jobs by two(2). Agency staff will project such jobs over the THREE (3)-year time period FOLLOWING Project Completion.

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

238220

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)	$150,000
Acquisition of Existing Building(s)	
Renovation Costs of Existing Building(s)	
New Construction of Buildings	$1,450,000
Machinery and Equipment (other than furniture costs)	$50,000
Fixtures	$80,000
Installation Costs	$40,000
Fees & Permits (other than your own broker and legal fees)	$10,000
Legal Fees (IDA legal fees, Applicant legal fees)	$10,000
Architectural/Engineering Interest on	$10,000
Financing Charges	
Other (specify)	
Subtotal	0 $1,800,000
Agency Fee[1]	
Total Project Cost	0 **$1,800,000**

[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):**

Bank Financing:	$ 1,000,000
Equity (excluding equity that is attributed to grants/tax credits)	$ 800000
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)	$ _____
Identify each state and federal grant/credit:	
_____	$ _____
_____	$ _____
_____	$ _____
_____	$ _____
Total Sources of Funds for Project Costs:	$ 0 **$1,800,000**

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 #	Current Assessed Value (Land)	Current Assessed Value (Building)	Real Estate Taxes
304.000-1-62.1	**$150,000 BUT that**	**$2,205,000 BUT**	
	is for 67.80 acres	**this is the**	
	of land, so.....	**current Sports**	
		Complex that	
	We are	**is NOT part of**	
	purchasing only 5 acres of these 67.80 so that proportions to $11,061.95	**this sale. Value of future building is unknown.**	

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

Town of Whitestown

Receiver of Taxes

8539 Clark Mills Rd

Whitesboro, NY 13492

12(c) Address of Receiver of School Taxes:

Same as above

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 account numbers will be affected. **304.000-1-62.1**

Financial Information

13(a) Has the Applicant contacted any bank, financial/lending institution or private investor with respect to the financing of the proposed project?

[ ] Yes [X] No

If yes, please provide details.

Please note that financing will not be a problem. We have equity in excess of the funding amount for plenty of collateral.

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) ss.:

Louis Falvo, being first duly sworn, deposes and says:

1. That I am the Vice President (Corporate Office) of HJ Brandeles Corp. (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 17th day of September, 2018.

MARYLOUISE F. RUSSO
Notary Public in the State of New York
Qualified in Oneida County 01RU6018001
My Commission Expires Dec. 21, 2018

Marylouise F Russo
(Notary Public)

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.

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

Date 9/13/2018

Name of Applicant: HJ Brandeles

Name of All Sublessees or Other Occupants of Facility: NA

Principals or Parent of Applicant:

Products or Services of Applicant to be produced or carried out at facility: Wholesale Warehousing

Estimated Date of Completion of Project: Sep-19

Type of Financing/ Structure:

	Tax-Exempt Financing
	Taxable Financing
x	Sale/ Leaseback
	Other:

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	$ 150,000.00	
Existing Building	$ -	
Existing Bldg. Rehab	$ -	
Construction of New Building	$ 1,450,000.00	
Addition or Expansion		
Engineering/ Architectural Fees	$ 10,000.00	
Fees and Permits	$ 10,000.00	
Fixtures/Installation	$ 120,000.00	
Equipment	$ 50,000.00	
Legal Fees (Bank, Bond, Transaction, Credit Provider, Trustee	$ 10,000.00	See Agency Fee Schedule Page on Application
Finance Charges (Title Insurance, Environmental Review, Bank Commitment Fee, Appraisal, Etc.)	$ -	
Contingency	$ -	
Subtotal	$ 1,800,000.00	
Agency Fee*	$ -	
TOTAL COST OF PROJECT	**$ 1,800,000.00**	

IDA Agency Fee: PILOT, Mortgage Recording Exemption, Sales Tax Exemption:		
o Up to a $1.0 Million project - $5,000	o Above $1.0 Million project up to $10.0 Million project – ½ of 1% of total project cost.	o 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.

Assistance Provided by the Following:

EDGE Loan:		
MVEDD Loan:		
Grants - Please indicate source & Amount:	$ -	ESD, ESC Base Redevelopment
Other Loans - Please indicate source & Amount:	$0	M&T, UIDC, RIDC, EDGE, MVEDD

Company Information

		Average Salary of these Positions
Existing Jobs	45.00	74000
Created Jobs (over three years)	5.00	62400
Retained Jobs	45.00	74000

Earnings Information for Oneida County

Average Salary of Direct Jobs for Applicant	$ 74,000.00
Average of County Indirect Jobs	$ 25,000.00
Average of Construction Jobs	$ 32,000.00

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

Construction Person Years of Employment:	$ 7.25

Calculation of Benefits (3 Year Period)

		Total Earnings	Revenues
Direct Jobs			
	Created	$ 1,110,000.00	47175
	Existing	$ 9,990,000.00	424575
Indirect Jobs			
	Created	$ 937,500.00	39843.75
	Existing	$ 8,437,500.00	358593.75
Construction - only one year			
	Person Years	$ 232,000.00	9860
TOTALS Calculation of Benefits (3 Year Period)		$ 20,707,000.00	880048

TAXABLE GOODS & SERVICES

		Spending Rate		Expenditures	State & Local Sales Tax Revenues
Direct Jobs					
	Created	$	0.36	399600	38961
	Existing	$	0.36	3596400	314685
Indirect Jobs					
	Created	$	0.36	337500	32906.25
	Existing	$	0.36	3037500	265781.25
Construction - only one year					
	Person Years	$	0.36	83520	7308
TOTAL TAXABLE GOODS & SERVICES				7454520	659642

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:		34.972488	Whitesboro 18-19
Tax Rate for Municipality where facility is located:		3.704738	Whitestown 18
Tax Rate for County:		9.84164	Oneida 18
	Rate Total	48.518866	
Real Property Taxes Paid:	$ 164,964.14		

COSTS:

Real Property Taxes Abated on Improvements Only (10 yr. Period):	223,297	Amount of Taxes that would be abated by applying PILOT.
Mortgage Tax Abated (.075%)	7,500	
Estimated Sales Tax Abated During Construction Period (8.75%)	56,700	

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.