

THE AGENCY

BROOME COUNTY IDA / LDC

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

March 18, 2020 • 12:00 p.m. • The Agency Conference Room
FIVE South College Drive, Suite 201, 2nd Floor
Binghamton, New York 13905

AGENDA

- | | | |
|----|---|-------------|
| 1. | Oath of Office | J. Bernardo |
| 2. | Call to Order | J. Bernardo |
| 3. | Approve Minutes – February 19, 2020 Board Meeting | J. Bernardo |
| 4. | Public Comment | J. Bernardo |
| 5. | Executive Director's Report <ul style="list-style-type: none">• Updates• Internal Financial Report – February 29, 2020 | S. Duncan |
| 6. | Loan Activity Reports as of February 29, 2020 | T. Gray |

New Business

- | | | |
|-----|--|-----------|
| 7. | Resolution Approving the 2019 Audit of the Broome County Industrial Development Agency, Conducted by Insero & Co. CPA's, LLP | S. Duncan |
| 8. | Resolution Accepting an Application from 159 Washington Holding, LLC for a Sale/Leaseback or a Lease/Leaseback Transaction to Facilitate the Renovation of 159 Washington Street, City of Binghamton, Broome County, New York, Including a Payment in Lieu of Tax Exemption in an Amount not to Exceed \$50,000.00 | S. Duncan |
| 9. | Resolution Approving an Increase in the Sales and Use Tax Exemption for 1435-1439 Marchuska, LLC (408 Commerce Road) in the Amount of \$35,920.00, Resulting From an Increase in Spending, from \$800,000.00 to \$1,249,000.00, Through and Including August 21, 2020 | S. Duncan |
| 10. | Resolution Approving a Revision to The Agency's Uniform Tax Exemption Policy, as Set Forth in Exhibit "A," Attached Hereto | S. Duncan |
| 11. | Resolution to Accept an Amendment to the Regulatory Agreement for Century Sunrise | S. Duncan |
| 12. | Resolution Approving the Readoption of the Code of Ethics Policy, the Defense and Indemnification Policy, the Whistle-Blower Protection Policy, the Compensation, Reimbursement and Attendance Policy and the Travel Policy with No Changes | T. Gray |

13. Resolution Approving the 2019 Mission and Measurement Report

T. Gray

Old Business

14. Adjournment

J. Bernardo

**BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY
BOARD MEETING**

**FIVE South College Drive; Suite 201, 2nd Floor
Binghamton, New York 13905**

Wednesday, February 19, 2020, 12:00 pm

SYNOPSIS OF MEETING

PRESENT: J. Bernardo, J. Stevens, D. Crocker, J. Peduto, C. Sacco, J. Mirabito and B. Rose

ABSENT: W. Howard, R. Bucci

GUESTS: Jeff Platsky, Press & Sun Bulletin
Joseph Moody, Town of Union
Brian Haynes, Great Eastern Hemp
Mayor Greg Deemie, Village of Johnson City
Aaron Martin, Broome County Legislature
Kyle Davis, Chamber of Commerce

STAFF: S. Duncan, T. Gray, N. Abbadessa, C. Hornbeck, B. O'Bryan, T. Ryan and A. Williamson

COUNSEL: J. Meagher

PRESIDING: J. Bernardo

The meeting was called to order at 12:01 p.m.

ITEM #1. APPROVE MINUTES FOR THE JANUARY 15, 2020 BOARD MEETING: Chairman Bernardo requested a motion to approve the minutes of January 15, 2020.

MOTION: Mr. Stevens motioned to approve, seconded by Mr. Crocker, the MOTION CARRIED UNANIMOUSLY.

ITEM #2. PUBLIC COMMENT:

Chairman Bernardo stated anybody wishing to speak on any matter concerning the IDA, please state your name and address for the record.

Mayor Greg Deemie, 243 Main Street, Johnson City, addressed the board, regarding the recent Public Hearing for Great Eastern Hemp, LLC.

Chairman Bernardo asked if anyone else would like to comment; hearing none, closed the comment period.

ITEM #3. EXECUTIVE DIRECTOR'S REPORT:

Ms. Duncan provided updates on the following:

WALESON DEVELOPMENT – 191 FRONT STREET

Ms. Duncan referred the Board to a conceptual site plan from Waleson Development (Waleson), included in their folders. On February 18th, Ms. Duncan participated with Mayor David to announce a proposed project at 191 Front Street in the City of Binghamton. Waleson purchased the two buildings formerly known as Botnick's Chevrolet, in partnership with NYS Housing and Community Renewal (HCR), utilizing HCR's housing tax credit program. The 115-unit housing development will consist of two four-story buildings, enabling Waleson to provide rents at 60-90% of area median income; loosely qualified as market-rate. Mayor David, who desired more market-rate housing, had multiple conversations with the developer and Mr. Lenny Skrill at HCR. The mayor verbally voiced consideration and support for a deviated PILOT on this project, which will ultimately come before this Board. In addition, the developer is looking to finance all or some of this project through bonds issued through the IDA (as opposed to the LDC). The bonds would be tax-exempt funds; but as a for-profit, bonds can be issued through the IDA. New York State provides a bond cap, just under the \$6.8 million; since it is an approximately \$20 million project, additional financing will be required. The Agency believes it can be a great gateway project for that location in the City of Binghamton. The Agency is working with bond counsel, Harris Beach, as well as the City on the PILOT process.

CHAMBER OF COMMERCE ECONOMIC FORECAST BREAKFAST

M & T Bank hosted the Chamber's Economic Forecast Breakfast on February 11th, featuring Regional Economist Gary Keefe who gave a presentation on the global and local economy. Ms. Duncan advised the data for the greater Binghamton economy was incredibly positive on many fronts, including wage and job growth: the manufacturing sector out-performed the national average and Broome County is experiencing non-manufacturing employment and wages rise. Two of four projects were honored locally, including The ANSCO Lofts project, recognized for being a restorative project and the 50 Front Street project, recognized as a transformational project.

CLOSINGS

A closing for Spark Broome (former Sear's property) is scheduled for Monday, February 24th. The Agency anticipates closing the Sam A. Lupo & Sons expansion project, as well as the L3 project in the Town of Kirkwood before March 1st.

ITEM #4. LOAN ACTIVITY REPORTS AS OF JANUARY 31, 2020: The Internal Financial Reports for January were presented to the Board. The balances available to lend are \$674,443.33 (STEED), \$369,561.50 (BDF) and \$111,416.91 (BR + E). Chairman Bernardo asked if there were questions relative to the internal financial reports. Chairman Bernardo then asked if there were questions relative to The Agency's loan activity. Mr. Stevens commented on the financial impact of the Industrial Park on this report, requesting an update. Ms. Duncan responded that based on the Board's decision last month, The Agency has a signed agreement as of February 19th. Mr. Stevens asked if there is movement on the property, itself; Ms. Duncan replied The Agency is not aware of any significant activity at this point. Hearing no further comments, Chairman Bernardo moved on to New Business.

MOTION: No motion necessary.

ITEM #5. RESOLUTION AUTHORIZING A SALE/LEASEBACK OR A LEASE/LEASEBACK TRANSACTION TO FACILITATE THE FINANCING OF THE ACQUISITION, RENOVATION AND EQUIPPING OF 60 LESTER AVENUE, TOWN OF UNION, BROOME COUNTY, NY AND APPOINTING GREAT EASTERN HEMP, LLC (THE "COMPANY") AS AGENT OF THE AGENCY FOR THE PURPOSE OF FINANCING THE ACQUISITION, RENOVATION AND EQUIPPING OF THE PROJECT AND AUTHORIZING THE EXECUTIN AND DELIVERY OF CERTAIN DOCUMENTS WITH RESPECT THERETO, INCLUDING A PYAMENT IN LIEU OF TAX AGREEMENT AND A SALES TAX EXEMPTION IN AN AMOUNT NOT TO EXCEED \$80,000.00: Ms. Duncan stated two years ago, former Executive Director, Mr. Kevin McLaughlin and Ms. Duncan met with the principals of Great Eastern Hemp, LLC (Great Eastern Hemp), including Mr. Brian Haynes, here today, regarding their interest in opening a hemp processing facility in Broome County. At the time, Great Eastern Hemp was still evaluating facilities throughout the community. The Agency advised of our process and requested they come back to The Agency, when ready to move forward. Mr. Haynes, met with staff, who recommended meeting with the town assessor and village officials to apprise them of the project. Initially, Great Eastern Hemp expressed interest in a 21-year PILOT; the town recommended they consider a 15-

year PILOT. The Agency's calculation, based on the assessment for a standard 15-year PILOT, provides for a five-year freeze based on the tax amount at the time of purchase. Taxes at the time of purchase for this property were zero. The Agency has a PILOT with Carrier Services Group (CSG) in the Town of Hillcrest, which was a 10-year PILOT; similarly, CSG had a three-year freeze. That project was a transfer from a municipally-owned entity, not a non-profit, but again, zero taxes at the time of purchase, affording them the three-year tax freeze. The Great Eastern Hemp project includes the acquisition, renovation and equipping of the facility to process locally-grown hemp, as well as manufacture products derived from CBD oils. Great Eastern Hemp anticipates investing \$11 million into the facility, mostly through the purchase and set-up of machinery and equipment and projects 40 net new jobs over three years. Staff recommends the Board approve the PILOT, as it is in compliance with The Agency's policy as it stands today. Chairman Bernardo commended Great Eastern Hemp for their \$11 million investment into the community, with the anticipated creation of 40 or more employees; however suggested the Board and staff examine The Agency's PILOT process further regarding property assessments for future applicants. A lengthy discussion followed.

MOTION: To Authorize a Sale/Leaseback or a Lease/Leaseback Transaction to Facilitate the Financing of the Acquisition, Renovation and Equipping of 60 Lester Avenue, Town of Union, Broome County, NY and Appointing Great Eastern Hemp, LLC, and Authorizing the Execution and Delivery of Certain Documents with Respect Thereto, Including a Payment In Lieu of Tax Agreement and Sales Tax Exemption. Mr. Stevens made a MOTION to accept the application, as submitted; seconded by Mr. Rose, the MOTION CARRIED (6 to 1 – Ms. Sacco abstained).

ITEM #6. RESOLUTION APPROVING THE RECOMMENDATION FOR A CREATIVE ECONOMY STUDY: Ms. Duncan stated additional language should be added to this resolution, as discussed in the preceding Governance meeting, for an amount up to \$75,000.00. Ms. Duncan, Mr. Stevens and Chairman Bernardo had a discussion last year about earnings on The Agency's investments, requesting the Board set aside funds to do studies germane to economic development in Broome County. As a result, \$125,000.00 was set aside from an investment account for such purposes. The proposal under consideration from Cultural Planning Group, is a comprehensive economic analysis of the creative sector: what does it look like; what is the job/wage/employment potential in this sector? The study would support and determine what this sector looks like by the numbers. This study would be incredibly beneficial to non-profits, especially arts organizations, when seeking funding applications. Studies strengthen applications. On a high-level, this type of study would help attract art, leisure and recreation populations to the area. This study would provide data analysis, as accomplished with The Agency's housing and workforce studies. Ms. Duncan conducted preliminary discussions with local foundations/funding organizations, as potential partners.

Ms. Duncan is seeking authorization to potentially spend up to \$75,000.00 for such a study. Mr. Stevens and Chairman Bernardo confirmed the discussion of this subject; Chairman Bernardo then requested a motion.

MOTION: To Approve a recommendation for a creative economy study. On a MOTION by Ms. Sacco, seconded by Mr. Stevens, the MOTION CARRIED UNANIMOUSLY.

ITEM #7. RESOLUTION APPROVING SUMMARY RESULTS OF CONFIDENTIAL EVALUATION OF BOARD

PERFORMANCE: Ms. Duncan stated the Board is required by the ABO to submit a confidential evaluation, which is included in your packet. After Board approval, these will be posted to The Agency's website. Chairman Bernardo brought the necessity that members be knowledgeable about the ABO's programs, financial statements, reporting requirements and other transactions to the Board's attention. Chairman Bernardo suggested members and staff set aside time to make sure all Board members are comfortable with The Agency's policies and procedures. Ms. Duncan confirmed the staff would advance opportunities for that in the future. Mr. Stevens pointed out that policy relative to financial information requires quarterly reporting to the Board and that The Agency reports monthly. The Agency's information is provided more frequently than is required by policy and Board members need to pay close attention to the financial information before the meeting. Chairman Bernardo asked for a motion.

MOTION: To Approve Summary Results of Confidential Evaluation of Board Performance. On a MOTION by Mr. Mirabito; seconded by Mr. Peduto, the MOTION CARRIED UNANIMOUSLY.

ITEM #8: RESOLUTION APPROVING THE READOPTION OF THE AGENCY BYLAWS AND POLICIES AND PROCEDURES: INVESTMENT AND DEPOSIT POLICY, THE PURCHASING POLICY, PROPERTY ACQUISITION GUIDELINES, PROPERTY DISPOSITION GUIDELINES AND INTERNAL CONTROLS AND FINANCIAL ACCOUNTABILITY POLICY WITH NO CHANGES:

Mr. Gray stated an annual requirement of the ABO is that the organization review its Bylaws and Policies and Procedures. The staff has done that and are requesting the Board readopt those documents in their current form. Chairman Bernardo asked if there were any objections; hearing none, requested a motion.

MOTION: To Approve the Readoption of The Agency Bylaws and Policies and Procedures, with No Changes. On a MOTION by Mr. Stevens, seconded by Mr. Rose, the MOTION CARRIED UNANIMOUSLY.

ITEM #9: EXECUTIVE SESSION: DISCUSSION OF REAL PROPERTY

MOTION: To Convene to Executive Session at 12:35 p.m. On a MOTION by Mr. Crocker, seconded by Mr. Mirabito, the MOTION CARRIED UNANIMOUSLY.

ITEM #10: RECONVENE FROM EXECUTIVE SESSION.

MOTION: To Reconvene back to Public Session at 1:32 p.m. On a MOTION by Mr. Stevens, seconded by Mr. Mirabito, the MOTION CARRIED UNANIMOUSLY.

ITEM #11: ADJOURNMENT: Chairman Bernardo requested a motion to adjourn.

MOTION: On a MOTION by Mr. Stevens, seconded by Mr. Peduto, the MOTION CARRIED UNANIMOUSLY, and the meeting was adjourned at 1:35 p.m.

The next meeting of The Agency Board of Directors is scheduled for Wednesday, March 18, 2020 at 12:00 p.m. at FIVE South College Drive, Suite 201, Binghamton, NY 13905.

Broome County IDA
Internal Financial Status Reports
February 29, 2020

**Broome County IDA
Financial Statements vs. Budget
Month Ended 2/29/20**

Month # -> 2

	2020 Approved Budget	Actual YTD thru 2/29/20	Budgeted YTD thru 2/20/20	Variance
<u>INCOME:</u>				
A) Land/Building Income:				
265 Industrial Park Drive	\$ 181,667	\$ -	\$ 30,278	\$ (30,278)
ADEC Mortgage	58,838	9,806	9,806	-
Airport Corporate Loan Hangar Lease	50,000	8,663	8,333	330
FIVE South College Drive Tenant Leases	87,600	18,800	14,600	4,200
Miscellaneous Income	10,000	8,512	1,667	6,845
Solar City	5,000	-	833	(833)
Save Around Parkway, LLC	21,587	-	3,598	(3,598)
Subtotal	414,691	45,782	69,115	(23,334)
B) BCIDA Fees:				
IRB/Sale Leasback Fees	615,000	259,300	102,500	156,800
Loan Fund Administration	35,000	1,214	5,833	(4,619)
Subtotal	650,000	260,514	108,333	152,181
C) Other Income:				
Bank Interest	90,000	18,061	15,000	3,061
TOTAL INCOME	\$ 1,154,691	\$ 324,356	\$ 192,449	\$ 131,908
<u>EXPENSES:</u>				
A) Administration:				
Salaries	\$ 410,000	\$ 80,917	\$ 80,769	\$ (148)
Benefits	189,000	35,246	36,346	1,100
Professional Service Contracts	50,000	12,600	8,333	(4,267)
Payroll Administration	2,000	476	231	(246)
Investment Management	18,000	4,311	3,000	(1,311)
Subtotal	669,000	133,550	128,679	(4,870)
B) Office Expense:				
Postage	2,000	597	333	(263)
Telephone/Internet Service	2,000	1,355	333	(1,022)
Equipment & Service/Repair Contracts	15,000	2,721	2,500	(221)
Supplies	7,000	1,415	1,167	(249)
Travel/Transportation	16,000	3,813	2,667	(1,147)
Meetings	17,000	2,960	2,833	(126)
Training/Professional Development	7,000	775	1,167	392
Membership/Dues/Subscriptions	7,000	3,056	1,167	(1,890)
Audit	15,000	5,500	2,500	(3,000)
Legal	70,000	12,875	11,667	(1,208)
Insurance (Agency, Director & Officers)	15,000	13,665	2,500	(11,165)
Contingency	5,000	1,303	833	(470)
Subtotal	178,000	50,035	29,667	(20,369)
C) Business Development:				
Advertising	40,000	9,165	6,667	(2,498)
Printing & Publishing	15,000	6,345	2,500	(3,845)
Public Relations Contract	40,000	3,750	6,667	2,917
Subtotal	95,000	19,260	15,833	(3,427)

Broome County IDA
Financial Statements vs. Budget
Month Ended 2/29/20

D) FIVE South College Drive Expenses

87,600	13,403	14,600	1,197
--------	--------	--------	-------

E) Building/Property Maintenance:

Broome Corporate Park

Maintenance - Mowing/Snowplowing

5,000	-	833	833
-------	---	-----	-----

Deposit Community Center

Maintenance - Mowing/Snowplowing/Utilities

12,000	-	2,000	2,000
--------	---	-------	-------

600 Main Street

Maintenance - Mowing/Snowplowing

14,000	1,575	2,333	758
--------	-------	-------	-----

Subtotal

31,000	1,575	5,167	3,592
--------	-------	-------	-------

TOTAL EXPENSES

\$ 1,060,600	\$ 217,823	\$ 193,946	\$ (23,877)
--------------	------------	------------	-------------

OPERATING INCOME

\$ 94,091	\$ 106,533	\$ (1,498)	\$ 155,785
-----------	------------	------------	------------

Broome County IDA
Summary of Bank Deposits and Investments

	Account	Month End Balance	Statement Date	Rate
Cash & Bank Deposits				
	Petty Cash	100.00	2/29/2020	
	NBT BCIDA Checking	233,113.18	2/29/2020	0.00%
	NBT BCIDA Money Market	626,820.86	2/29/2020	0.55%
	Total Cash & Bank Deposits	<u>860,034.04</u>		
Portfolio Investment Accounts				
	Cash & Equivalents	-	2/29/2020	
	NBT Transition Account	10,875.77	2/29/2020	0.44%
	CDs & Time Deposits		2/29/2020	
	US Treasury Bonds & Notes	<u>7,271,492.78</u>	2/29/2020	2.15%
	Total Portfolio Value	<u>7,282,368.55</u>		
	Total Cash, Bank Deposit Accounts & Investments	<u><u>8,142,402.59</u></u>		
Loan Funds				
STEED				
	Petty Cash	100.00	2/29/2020	
	NBT STEED Checking	60,121.26	2/29/2020	0.00%
	NBT STEED Money Market	455,159.76	2/29/2020	0.50%
	Total STEED	<u>515,381.02</u>		
BDF				
	NBT BDF Checking	567.96	2/29/2020	0.00%
	NBT BDF Money Market	375,190.37	2/29/2020	0.50%
	Total BDF	<u>375,758.33</u>		
	Total Loan Funds	<u><u>891,139.35</u></u>		
	Total Combined Funds	<u><u>9,033,541.94</u></u>		

**Broome County IDA
Account Receivables**

BCIDA Notes Receivable	Beginning Balance	Interest Rate	Total Principal Payments as of 2/29/2020	Total Interest Payments 2/29/2020	Outstanding Balance as of 2/29/2020	Status	Comments
265 Industrial Park Drive 3/29/2017	3,325,776.00	3.0%	175,701.62	137,857.77	3,150,074.38	Forbearance	Building Sale Monthly Payment
ADEC 8/5/2015	710,000.00	3.0%	180,610.67	84,158.35	529,389.33	Current	Mortgage Agreement Monthly Payment \$4,903.13
Broome County - Airport Hangar 9/1/2016	241,067.88	3.0%	53,062.91	7,580.47	188,004.97	Current	Mortgage Agreement - Refinanced 1/1/19 Monthly Payment \$4,331.67
Broome County - Solar City 8/15/2016	100,000.00	0.0%	15,000.00	-	85,000.00	Current	Land Lease Annual Payment \$5,000
Precium Holdings - Charles St. 5/23/2017	80,000.00	3.0%	8,107.63	6,090.13	71,892.37	Current	Land Sale Monthly Payment \$443.68

Steed Loan Status

BORROWER	Opening Balance 1/1/2020	Current Balance 2/29/2020	Maturity Date	Status 2/29/2020
17 Kentucky Ave., LLC	206,040.89	203,891.73	1/1/2033	Current
20 Delaware Ave, LLC	107,895.88	104,571.18	1/1/2025	Current
AMT, Inc. #2	10,610.96	8,860.86	12/1/2020	Current
Better Offer Properties, LLC	37,130.08	35,775.05	3/1/2024	Current
Concept Systems	60,703.61	57,285.24	10/1/2022	Current
F.A. Guernsey, Co., Inc.	118,273.72	118,273.72	6/1/2024	Bankruptcy
Fuller Holding Company, LLC	-	162,500.00	2/1/2035	Current
Matco Group (formerly VMR Corp)	7,449.73	5,332.39	7/1/2020	Current
Mountain Fresh Dairy	92,416.06	92,416.06	12/1/2021	Litigation
MS Machining	16,555.60	15,519.42	7/1/2022	Current
Prepared Power	57,596.35	57,244.32	10/1/2033	Current
Roberts Stone	51,313.86	48,303.21	7/1/2022	60 Days
Sirgany Eyecare	84,660.96	78,792.03	4/1/2022	Current
SpecOp Tactical Center	70,453.61	70,453.61	5/1/2024	Litigation
T-Squared Custom Millwork, Inc.	29,510.52	28,439.27	4/1/2024	Current
Triple Cities Metal Finishing	3,099.25	-	1/1/2020	Current
TOTAL	953,711.08	1,087,658.09		

Business Development Fund Status

BORROWER	Opening Balance 1/1/2020	Current Balance 2/29/2020	Maturity Date	Status 2/29/2020
17 Kentucky Ave., LLC	93,730.64	92,817.00	10/1/2033	Current
20 Delaware Ave., LLC	105,198.85	101,957.28	1/1/2025	Current
265 Main St, LLC	143,551.40	142,668.56	9/1/2033	Current
ADEC Solutions USA, Inc.	119,423.93	116,147.32	9/1/2025	Current
Matco Group (formerly VMR Corp)	2,483.08	1,777.29	7/1/2020	Current
Mechanical Specialties Co.	13,244.56	12,415.62	7/1/2022	Current
Roberts Stone	33,519.79	31,553.17	7/1/2022	60 Days
SpecOp Tactical Center	74,856.90	74,856.90	5/1/2024	Litigation
250 Main Street, LLC	49,589.67	49,313.83	10/1/2029	Current
Total	635,598.82	623,506.97		

BR+E Loan Status

BORROWER	Opening Balance 1/1/2020	Current Balance 2/29/2020	Maturity Date	Status 2/29/2020
265 Main St, LLC	47,850.52	47,556.24	9/1/2033	Current
Grow Hemp, LLC	43,145.93	42,064.89	11/1/2025	Current
Prepared Power	47,996.97	47,703.61	10/1/2033	Current
250 Main Street, LLC	49,589.67	49,313.83	10/1/2029	Current
Total	188,583.09	186,638.57		

Loan Delinquency Status

STEED

F. A. Guernsey
Mountain Fresh Dairy
Roberts Stone
SpecOp Tactical

Bankruptcy
Litigation
60 Days
Litigation

BDF

Roberts Stone
SpecOp Tactical

60 Days
Litigation

**BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY
LOAN FUNDS ACTIVITY AS OF
February 29, 2020**

STEED ACCOUNT BALANCE: \$ 515,281.02

Amount held at ARC in Washington, DC \$ 177,719.60

LOAN COMMITMENTS	Commitment Date	Expiration Date
-------------------------	------------------------	------------------------

Total STEED Loans Commitments	\$	-
--------------------------------------	----	---

Available to Lend	\$	693,000.62
--------------------------	----	-------------------

BDF ACCOUNT BALANCE: \$ 375,758.33

LOAN COMMITMENTS	Commitment Date	Expiration Date
-------------------------	------------------------	------------------------

	\$	-
--	----	---

Total BDF Loan Commitments	\$	-
-----------------------------------	----	---

Available to Lend	\$	375,758.33
--------------------------	----	-------------------

BR+E \$ 111,416.91

LOAN COMMITMENTS	Commitment Date	Expiration Date
-------------------------	------------------------	------------------------

Total BRE Loan Commitments	\$	-
-----------------------------------	----	---

Available to Lend	\$	111,416.91
--------------------------	----	-------------------

**BROOME COUNTY
INDUSTRIAL DEVELOPMENT AGENCY
AND LOCAL DEVELOPMENT
CORPORATION**

Binghamton, New York

EXECUTIVE SUMMARY

**For the Year Ended
December 31, 2019**

**BROOME COUNTY
INDUSTRIAL DEVELOPMENT AGENCY
AND LOCAL DEVELOPMENT CORPORATION**

EXECUTIVE SUMMARY OF 2019 AUDIT REPORT AND FINDINGS

Basic Financial Statements

Independent Auditors' Report on Basic
Financial Statements

Independent Auditors' Report on
Internal Control Over Financial
Reporting and on Compliance and
Other Matters Based on an Audit of
Financial Statements Performed in
Accordance with *Government
Auditing Standards*

Description of Report and Findings

Unmodified opinion on the Broome County Industrial
Development Agency's (the Agency) basic financial
statements for the year ended December 31, 2019.

Unmodified opinion on the Broome County Local
Development Corporation's (the Corporation) basic
financial statements for the year ended December 31, 2019.

Report on the Agency's compliance with laws and
regulations that may have a direct and material effect on the
basic financial statements, and on the Agency's internal
control structure, policies, and procedures based on the
auditors' understanding of the internal control structure and
assessment of control risk obtained as part of the audit of
the basic financial statements. This report identified **no
instances of noncompliance and no material internal
control weaknesses** at the financial statement level.

Report on the Corporation's compliance with laws and
regulations that may have a direct and material effect on the
basic financial statements, and on the Corporation's internal
control structure, policies, and procedures based on the
auditors' understanding of the internal control structure and
assessment of control risk obtained as part of the audit of
the basic financial statements. This report identified **no
instances of noncompliance and no material internal
control weaknesses** at the financial statement level.

**BROOME COUNTY
INDUSTRIAL DEVELOPMENT AGENCY
AND LOCAL DEVELOPMENT CORPORATION**

EXECUTIVE SUMMARY OF 2019 AUDIT REPORT AND FINDINGS

Communication with Those Charged with Governance at the Conclusion of the Audit

A letter that specifically addresses certain required communications to the Boards of the Agency and the Corporation in accordance with professional standards. There were **no comments of concern** to be reported regarding the following:

- Qualitative Aspects of Accounting Practices
- Difficulties Encountered in Performing the Audit
- Corrected and Uncorrected Misstatements
- Disagreements with Management
- Management Representations
- Management Consultations with Other Independent Accountants
- Other Audit Findings or Issues
- Other Matters

Management Comment Letter

The Agency: Letter of comments dated _____, 2020 that communicates no significant deficiencies or material weaknesses have been reported.

The Corporation: Letter of comments dated _____, 2020 that communicates no significant deficiencies or material weaknesses have been reported.

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY AND LOCAL DEVELOPMENT CORPORATION

5 YEAR FINANCIAL STATEMENT ANALYSIS

	December 31, 2019	December 31, 2018	December 31, 2017	December 31, 2016, restated	December 31, 2015, restated
INDUSTRIAL DEVELOPMENT AGENCY					
ASSETS					
Cash and Cash Equivalents - Unrestricted	\$ 671,806	\$ 821,729	\$ 2,513,915	\$ 1,596,799	\$ 6,037,720
Cash and Cash Equivalents - Restricted	1,005,843	621,416	596,154	1,062,227	683,370
Investments	6,897,363	7,053,674	4,474,448	4,455,830	
Accounts Receivable	52,500		174,225	335,000	51,507
Pass Through Receivable	12,464	79,938			323,530
Due from County	285,700	322,542	327,542	339,612	893,088
Due from Binghamton Local Development Corp.	385,000				
Notes Receivable	1,530,422	578,577	619,391	762,336	1,947,476
Loans Receivable	1,777,902	2,078,542	1,965,642	1,569,057	
Mortgage Receivable	3,222,492	3,246,654	3,324,296		
Property Held Under PILOT Agreements				6,087,377	6,087,377
Property Held for Resale	2,097,017	3,908,116	3,787,533	5,664,117	4,365,018
Capital Assets, Net	7,915,531	9,972,433	10,175,046	6,363,334	6,340,672
Total Assets	\$ 25,854,040	\$ 28,683,621	\$ 27,958,192	\$ 28,235,689	\$ 26,729,758
LIABILITIES					
Accounts Payable, Accrued Expenses, and Other	\$ 77,357	\$ 58,635	\$ 44,641	\$ 6,157,841	\$ 6,152,495
Total Liabilities	77,357	58,635	44,641	6,157,841	6,152,495
NET POSITION					
Net Investment in Capital Assets	7,915,531	9,972,433	10,175,046	6,363,334	6,340,672
Restricted for Loans	2,544,862	2,845,902	2,561,815	2,624,511	2,624,511
Unrestricted	15,316,290	15,806,651	15,176,690	13,090,001	11,512,080
Total Net Position	25,776,683	28,624,986	27,913,551	22,077,846	20,577,263
Total Liabilities and Net Position	\$ 25,854,040	\$ 28,683,621	\$ 27,958,192	\$ 28,235,687	\$ 26,729,758
LOCAL DEVELOPMENT CORPORATION					
ASSETS					
Cash and Cash Equivalents - Unrestricted	\$ 114,269	\$ 148,862	\$ 177,434	\$ 167,673	\$ 232,675
Accounts Receivable	75,000				
Total Assets	\$ 189,269	\$ 148,862	\$ 177,434	\$ 167,673	\$ 232,675
LIABILITIES					
Unearned Revenue and Accounts Payable	\$ 3,700	\$ 9,394	\$ 53,450	\$ -	\$ -
Total Liabilities	3,700	9,394	53,450	-	-
NET POSITION					
Unrestricted	185,569	139,468	123,984	167,673	232,675
Total Net Position	185,569	139,468	123,984	167,673	232,675
Total Liabilities and Net Position	\$ 189,269	\$ 148,862	\$ 177,434	\$ 167,673	\$ 232,675

Note: Abstracted from Audited Financials - See Audit Reports for Complete Information

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY AND LOCAL DEVELOPMENT CORPORATION

5 YEAR FINANCIAL STATEMENT ANALYSIS

	December 31, 2019	December 31, 2018	December 31, 2017	December 31, 2016	December 31, 2015
INDUSTRIAL DEVELOPMENT AGENCY					
REVENUES					
Fee Income	\$ 1,128,390	\$ 848,571	\$ 939,807	\$ 646,564	\$ 868,855
Rental Income	98,612	90,598	883,724	2,765,877	1,190,061
Other Income	64,195	88,954	32,892	5,530	49,539
State Grant		484,194	3,865,806		
State Aid		2,000	718,839	293,908	332,390
Grant Income		300,000			
Investment Income	267,874	89,314	33,210	53,651	37,743
Loan Interest Earned	61,272	163,138	92,285	71,972	65,527
Gain (Loss) on Sale of Assets	(3,082,597)	1,908	1,923,402		
Total Revenues	(1,462,254)	2,068,673	8,489,965	3,837,502	2,544,115
EXPENSES					
Rental Expense			474,946	594,359	1,747,915
Salaries and Benefits	666,583	662,761	597,650	581,395	435,520
Depreciation	227,941	226,549	132,571	347,313	347,925
Professional Fees	139,148	98,682	175,217	197,340	153,990
Office Expense	59,764	51,218	101,149	120,615	148,082
Multi-Modal Expenses		2,000	621,901	85,275	
Other Expenses	292,613	316,012	550,828	410,620	330,313
Total Expenses	1,386,049	1,357,242	2,654,262	2,336,917	3,163,745
Change in Net Position	\$ (2,848,303)	\$ 711,435	\$ 5,835,703	\$ 1,500,585	\$ (619,630)
LOCAL DEVELOPMENT CORPORATION					
REVENUES					
Fee Income	\$ 175,175	\$ 24,675	\$ 23,675	\$ 23,675	\$ 236,750
Other Income	83,177	174,950	1,491		
Total Revenues	258,352	199,625	25,166	23,675	236,750
EXPENSES					
Sponsorship Expenses	148,641	152,239	60,805	81,211	65,840
General and Administrative Expenses	63,610	31,902	8,050	7,466	7,296
Total Expenses	212,251	184,141	68,855	88,677	73,136
Change in Net Position	\$ 46,101	\$ 15,484	\$ (43,689)	\$ (65,002)	\$ 163,614

Note: Abstracted from Audited Financials - See Audit Reports for Complete Information

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

5 YEAR FINANCIAL STATEMENT ANALYSIS

	December 31, 2019	December 31, 2018	December 31, 2017	December 31, 2016	December 31, 2015
Cash Flows From Operating Activities					
Cash Received from Providing Services	\$ 294,843	\$ 1,124,410	\$ 2,703,145	\$ 3,494,828	\$ 2,229,130
Cash Payments - Salaries Expense	(666,583)	(662,781)	(597,650)	(581,395)	(435,520)
Cash Payments - Contractual Expenses	(455,375)	(453,918)	(1,916,972)	(1,397,333)	(2,408,219)
Net Cash Provided (Used) by Operating Activities	(827,115)	7,711	188,523	1,516,100	(614,609)
Cash Flows From Non-Capital Financing Activities					
Principal Payments from County	36,842	5,000	12,070	83,918	89,039
Net Cash Provided (Used) by Non-Capital Financing Activities	36,842	5,000	12,070	83,918	89,039
Cash Flows From Capital and Related Financing Activities					
Grant Revenue		784,194	3,865,806		
Sale of Capital Assets	1,837,684			720,183	
Sale (Purchase) of Property Held for Resale	1,811,099	(120,583)			
Purchase of Capital Assets	(8,723)	(23,936)	(3,499,227)	(1,090,158)	(1,951,516)
Loss on Sale of Assets	(3,088,783)				
Net Cash Provided (Used) by Capital and Related Financing Activities	551,277	639,675	366,579	(369,975)	(1,951,516)
Cash Flows From Investing Activities					
Principal Payments on Notes Receivable	42,055	40,814	142,944	130,752	306,994
Principal Payments on Loans Receivable	400,640	577,100	407,915	378,419	98,569
New Loans Issued	(485,000)	(691,000)	(804,500)		(562,120)
New Notes Issued					(710,000)
Mortgage Payments Received	4,161	77,642	31,480		
Purchase of Assets Held for Sale				(1,399,099)	
Sale of Assets Held for Sale					710,000
Investment Income	274,460	91,222	33,210	53,651	
Purchase of Investments	(984,269)	(3,384,384)			(5,224,267)
Sale of Investments	1,140,580	805,158		714,786	
Interest Income Received	61,272	163,138	72,822	53,651	37,743
Net Cash Provided (Used) by Investing Activities	473,500	(2,319,310)	(116,129)	(67,840)	(5,343,081)
Net Change in Cash and Cash Equivalents	234,504	(1,666,924)	451,043	1,162,203	(7,820,167)
Cash and Cash Equivalents, Beginning of Year	1,443,145	3,110,069	2,659,026	1,496,823	9,316,990
Cash and Cash Equivalents, End of Year	\$ 1,677,649	\$ 1,443,145	\$ 3,110,069	\$ 2,659,026	\$ 1,496,823
Reconciliation of Net Operating Gain (Loss) to Net Cash Provided (Used) by Operating Activities:					
Operating (Loss) Gain	\$ (94,852)	\$ (327,119)	\$ (79,000)	\$ 1,111,934	\$ (657,373)
Gain to Net Cash Provided by Operating Activities:					
Depreciation	227,941	226,549	132,571	347,313	347,925
(Increase) Decrease in Accounts Receivable	(52,500)	174,225	160,775	51,507	(51,507)
(Increase) Decrease in Notes Receivable	(993,900)				
Increase (Decrease) in Prepaid Expenses	43,226	(79,938)			7,945
Increase (Decrease) in Accounts Payable	60,398	13,994	7,069	10,876	(35,864)
Increase (Decrease) in Unearned Revenue	(17,428)		(32,892)	(5,530)	(225,735)
Net Cash Provided (Used) by Operating Activities	\$ (827,115)	\$ 7,711	\$ 188,523	\$ 1,516,100	\$ (614,609)

Note: Abstracted from Audited Financials - See Audit Reports for Complete Information

**BROOME COUNTY
INDUSTRIAL DEVELOPMENT AGENCY
AND LOCAL DEVELOPMENT CORPORATION**

AUDIT FOCUS: REPORTING OBJECTIVES

1) Basic Financial Statements

- *Management's Discussion and Analysis
- *Statement of Net Position
- *Statement of Revenues, Expenses, and Changes in Net Position
- *Statement of Cash Flows
- *Notes to Financial Statements

2) Report on Internal Control Over Financial Reporting and on Compliance and Other Matters

AUDIT APPROACH

- *Preliminary Planning
- *Consideration of Internal Control Over Financial Reporting
- *Tests of Controls
- *Tests of Compliance with Laws and Regulations
- *Substantive Testing Financial Information (Includes Analytical Review)

UNDERSTANDING THE AGENCY'S OPERATIONS

- *Services Provided
- *Assessment of Accounting and Reporting System
- *Nature of Activities
- *Special Reporting Requirements
- *Nature of Compliance Requirements
- *Assessment of Management

FACTORS AFFECTING THE SCOPE OF THE AUDIT

- *Effectiveness of Overall Financial Controls
- *Appropriate Segregation of Duties
- *Ability to Demonstrate Compliance with Laws and Regulations
- *Effectiveness of Budget Process Administration
- *Accuracy and Comprehensiveness of Internal Reporting
- *Existence of Adequate Policies and Procedures
- *Ability to Issue Timely and Accurate Financial Reports

**COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE
AT THE CONCLUSION OF THE AUDIT**

Board of Directors
Broome County Industrial Development Agency
Binghamton, New York

We have audited the financial statements of the Broome County Industrial Development Agency (the Agency), a component unit of the County of Broome, New York, for the year ended December 31, 2019. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated December 18, 2019. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Agency are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2019. We noted no transactions entered into by the Agency during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were depreciation expense and fair value measurements for investments.

Management's estimate of depreciation expense is based on the estimated useful lives of capital assets and fair value of investments is based on fair value hierarchy and market conditions. We evaluated key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were loans receivable, property held for resale, notes receivable, and capital assets.

The disclosures of loans receivable, property held for resale, notes receivable, and capital assets are presented in Notes 5, 6, 7, and 11 to the financial statements.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the Agency's financial statements taken as a whole. Additionally, we assisted management with certain closing entries, which is considered a nonaudit service.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated _____, 2020.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Agency's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Agency's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the Management's Discussion and Analysis, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the Schedule of Projects, which accompanies the financial statements but is not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the use of the Board of Directors, Audit Committee, and management of the Agency and is not intended to be, and should not be, used by anyone other than these specified parties.

Respectfully submitted,

Insero & Co. CPAs, LLP
Certified Public Accountants

Ithaca, New York
_____, 2020

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

Binghamton, New York

FINANCIAL REPORT

**For the Year Ended
December 31, 2019**

BROOME COUNTY
INDUSTRIAL DEVELOPMENT AGENCY

TABLE OF CONTENTS

Independent Auditors' Report	1-3
Required Supplementary Information	
Management's Discussion and Analysis	4-4d
Basic Financial Statements	
Statement of Net Position	5
Statement of Revenues, Expenses, and Changes in Net Position	6
Statement of Cash Flows	7
Notes to Financial Statements	8-16
Supplementary Information	
Schedule of Projects	17-17a
Report Required Under <i>Government Auditing Standards</i>	
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	18-19

INDEPENDENT AUDITORS' REPORT

Board of Directors
Broome County Industrial Development Agency
Binghamton, New York

Report on the Financial Statements

We have audited the accompanying financial statements of the Broome County Industrial Development Agency (the Agency), a component unit of the County of Broome, New York, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Agency's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respectively financial position of Broome County Industrial Development Agency as of December 31, 2019 and the changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4-4d be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Agency's basic financial statements. The Schedule of Projects is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The Schedule of Projects is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Projects is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated _____, 2020, on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Broome County Industrial Development Agency's internal control over financial reporting and compliance.

Respectfully submitted,

Insero & Co. CPAs, LLP
Certified Public Accountants

Ithaca, New York
_____, 2020

DRAFT

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2019

The following Management's Discussion and Analysis (MD&A) provides a comprehensive overview of the Broome County Industrial Development Agency's (the Agency) financial position as of December 31, 2019 and the results of its operations for the year then ended. Management has prepared the financial statements and related footnote disclosures along with this MD&A. The MD&A should be read in conjunction with the audited financial statements and related footnotes of the Agency, which directly follow the MD&A.

FINANCIAL HIGHLIGHTS

- The assets of the Agency exceeded its liabilities at the close of the fiscal year ended December 31, 2019 by \$25,776,683 compared to \$28,624,986 at December 31, 2018.
- Total revenues in 2019 were \$(1,462,254) compared to revenues of \$2,068,677 in 2018. The large decrease stems from the loss on sale of property and equipment as well as property held for resale to promote economic development.
- Total expenses of \$1,386,049 in 2019 increased by \$28,807 from total expenses of \$1,357,242 in 2018. The increase in expenses is due to increases in professional fees consisting of professional service contract and legal fees.

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

The financial statements of the Agency have been prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB).

The basic financial statements consist of a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Net Position, a Statement of Cash Flows, and accompanying notes. These statements provide information on the financial position of the Agency and the financial activity and results of its operations during the year. A description of these statements follows:

- **Statement of Net Position** presents information on all the Agency's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Agency is improving or deteriorating.
- **Statement of Revenues, Expenses, and Changes in Net Position** presents information showing the change in the Agency's net position during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of cash flows. Thus, revenues and expenses reported in this statement include all items that will result in cash received or disbursed in future fiscal periods.
- **Statement of Cash Flows** provides information on the major sources and uses of cash during the year. The cash flow statement portrays net cash provided or used by operating, non-capital financing, capital financing, and investing activities.

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2019

FINANCIAL ANALYSIS OF THE AGENCY AS A WHOLE

Our analysis below focuses on the net position (*Figure 1*) and changes in net position (*Figure 2*) of the Agency's activities.

Figure 1

<i>Condensed Statement of Net Position</i>	<i>Total Agency</i>		<i>Total Dollar Change</i>
	<i>2018</i>	<i>2019</i>	<i>2018 - 2019</i>
Current Assets:			
Cash and Cash Equivalents - Unrestricted	\$ 821,729	\$ 671,806	\$ (149,923)
Investments	7,053,674	6,897,363	(156,311)
Accounts Receivable		52,500	52,500
Pass-Through Receivable	79,938	12,464	(67,474)
Due from County	92,340	71,659	(20,681)
Notes Receivable - Current Portion	42,055	443,335	401,280
Loans Receivable - Current Portion	397,283	322,941	(74,342)
Mortgage Receivable - Current Portion	131,054	135,039	3,985
Total Current Assets	8,618,073	8,607,107	(10,966)
Noncurrent Assets:			
Cash and Cash Equivalents - Restricted	621,416	1,005,843	384,427
Notes Receivable - Noncurrent Portion	536,522	1,087,087	550,565
Loans Receivable - Noncurrent Portion	1,681,259	1,454,961	(226,298)
Mortgage Receivable - Noncurrent Portion	3,115,600	3,087,453	(28,147)
Due from County - Noncurrent Portion	230,202	214,041	(16,161)
Due from Binghamton-Local Development Corp.		385,000	385,000
Property Held for Resale	3,908,116	2,097,017	(1,811,099)
Capital Assets, Net	9,972,433	7,915,531	(2,056,902)
Total Assets	28,683,621	25,854,040	(2,829,581)
Current Liabilities:			
Accounts Payable and Accrued Expenses	33,563	69,713	36,150
Unearned Revenue	24,231	6,803	(17,428)
Security Deposits	841	841	-
Total Liabilities	58,635	77,357	18,722
Net Position:			
Net Investment in Capital Assets	9,972,433	7,915,531	(2,056,902)
Restricted for Loans	2,845,902	2,544,862	(301,040)
Unrestricted	15,806,651	15,316,290	(490,361)
Total Net Position	\$ 28,624,986	\$ 25,776,683	\$ (2,848,303)

BROOME COUNTY

INDUSTRIAL DEVELOPMENT AGENCY

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2019

Total assets decreased 9.86% This decrease stems from the sale of capital assets as well as property held for resale. This was partially offset by an increase in accounts and notes receivable due to the closing of a PILOT project near year end, as well as amounts due from the Binghamton LDC for the sale of property.

Total liabilities increased 31.93%, This change is due to an increase in accounts payable due to the timing of invoices received prior to year end.

Total net position decreased 9.95% due to the loss on sale of assets.

Our analysis in *Figure 2* considers the operations of the Agency's activities.

Figure 2

Changes in Net Position	Total Agency		Total Dollar
	2018	2019	Change
Operating Revenues:			2018 - 2019
Fee Income	\$ 848,571	\$ 1,128,390	\$ 279,819
Rental Income	90,598	98,612	8,014
Other Income	90,954	64,195	(26,759)
Nonoperating Revenues:			
Investment Income	89,314	267,874	178,560
Loan Interest Earned	163,138	61,272	(101,866)
Grant Income	300,000		(300,000)
State Grant	484,194		(484,194)
Gain (Loss) on Sale of Assets	1,908	(3,082,597)	(3,084,505)
Total Revenues	\$ 2,068,677	\$ (1,462,254)	\$ (3,530,931)
Operating Expenses:			
Salaries and Benefits Expense	\$ 662,781	\$ 666,583	\$ 3,802
Depreciation Expense	226,549	227,941	1,392
Professional Fees	98,682	139,148	40,466
Office Expense	51,218	59,764	8,546
Multi-Modal Expense	2,000		(2,000)
Other Expenses	316,012	292,613	(23,399)
Total Expenses	\$ 1,357,242	\$ 1,386,049	\$ 28,807
CHANGE IN NET POSITION	\$ 711,435	\$ (2,848,303)	\$ (3,559,738)

Total revenue decreased 170.09% from the prior year. This decrease stems from the loss on sale of property and equipment and property held for resale. Further, the Agency saw one-time receipts of grants and state aid in the prior year that was not received in 2019.

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2019

Total expenses increased 2.12% from the prior year. This increase is attributable to increases in professional fees consisting of professional service contract and legal fees.

CAPITAL ASSETS

At December 31, 2019, the Agency had invested in a board range of capital assets totaling \$8,497,446 offset by accumulated depreciation of \$581,915. *Figure 3* shows the changes in the Agency's capital assets.

Figure 3

<i>Changes in Capital Assets</i>	<i>Total Agency</i>		<i>Total Dollar Change</i>
	<i>2018</i>	<i>2019</i>	<i>2018 - 2019</i>
<i>Land</i>	\$ 3,790,664	\$ 2,624,387	\$ (1,166,277)
<i>Buildings and Improvements, Net</i>	6,181,711	5,283,090	(898,621)
<i>Equipment, Net</i>	58	8,054	7,996
<i>Totals</i>	\$ 9,972,433	\$ 7,915,531	\$ (2,056,902)

Capital assets, net decreased 20.63%. This decrease is attributed to the sale of land in addition to depreciation of the Agency's various assets.

FACTORS BEARING ON THE AGENCY'S FUTURE

- In 2019 the Agency continued meeting its objectives in the three-year strategic plan which was approved by the Board of Directors in September 2016. The 2017 - 2020 Action Plan outlined five strategic priorities: workforce and talent attraction, advancing the "iDistricts" in Binghamton, Johnson City and Endicott, reducing the impact of development barriers, implementing a comprehensive business and recruitment strategy and strengthening the capacity of the Agency. The vision of the Agency remains the same: to be recognized as the lead economic development organization in Broome County.
- The staff continued overseeing the County wide workforce and talent attraction initiative. The Steering Committee which is made up of work force professionals and private entities continued its work in implementing the workforce and attraction efforts well into the next decade.
- The Board of Directors and staff began discussions on the implementation of a strategy to address the lack of sufficient housing for young professionals and the need for development of additional market rate housing.
- Since receiving the federal grant from the Department of Defense to perform a Feasibility Study for the Redevelopment of 600 Main Street, The Agency entered into contract with Elan Planning, Design, & Landscape Architecture. Elan did research and conducted a feasibility study on what could potentially be a successful business or community project for the site.

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2019

- Elan also helped to conduct a Generic Environmental Impact Study (GEIS) in coordination with the New York State Environmental Quality Review Act (SEQRA). The GEIS is to explain in full any socio-economic and environmental affects that development of the site might have on the surrounding communities. Throughout this GEIS/SEQRA process The Agency had to be identified as the lead agency and work through a 14-step process to determine any negative impacts that this might have on the communities. This process is currently in step 10 and is scheduled to conclude in early April of 2020. A major hurdle that this GEIS identified is that any/all development on this property would need to be built on a raised (6 foot) foundation, so the property would need to be filled up to that level and allowed to sit for 2 years. This is due to the risk of ground water contamination and flooding.
- The Agency has also sent a Request for Expression of Interest out to the development community with mixed responses. Two serious inquiries were received and a presentation for one was made. The feasibility study suggested the construction of a mixed use (commercial and residential) facility, and none of the current proposals fulfill that suggestion. The Agency is currently considering proposals and are going to resubmit the REI in hopes to receive more interest.
- During 2019 the Agency closed on a number of significant Payment in Lieu of Taxes Agreements including the rehabilitation of the former Anso Factory at 6 Emma Street into over 100 units of market rate housing and new commercial uses.

CONTACTING THE AGENCY'S FINANCIAL MANAGEMENT

This financial report is designed to provide the Agency's clients, investors, and creditors with a general overview of the Agency's finances and to demonstrate the Agency's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Broome County Industrial Development Agency at 5 South College Drive Binghamton, New York 13905.

BROOME COUNTY

INDUSTRIAL DEVELOPMENT AGENCY

STATEMENT OF NET POSITION FOR THE YEAR ENDED DECEMBER 31, 2019

ASSETS

Current Assets

Cash and Cash Equivalents	\$ 671,806
Investments	6,897,363
Accounts Receivable	52,500
Pass Through Receivable	12,464
Due from County - Current Portion	71,659
Notes Receivable - Current Portion	443,335
Loans Receivable - Current Portion	322,941
Mortgage Receivable - Current Portion	135,039
Total Current Assets	<u>8,607,107</u>

Noncurrent Assets

Cash and Cash Equivalents - Restricted	1,005,843
Notes Receivable - Noncurrent Portion	1,087,087
Loans Receivable, Net - Noncurrent Portion	1,454,961
Mortgage Receivable - Noncurrent Portion	3,087,453
Due from County - Noncurrent Portion	214,041
Due from Binghamton Local Development Corp	385,000
Property Held for Resale	2,097,017
Non-Depreciable Capital Assets	2,624,387
Depreciable Capital Assets, Net	5,291,144
Total Noncurrent Assets	<u>17,246,933</u>

Total Assets

25,854,040

LIABILITIES AND NET POSITION

LIABILITIES

Current Liabilities

Accounts Payable and Accrued Expenses	69,713
Unearned Revenue	6,803
Security Deposits	841

Total Liabilities

77,357

NET POSITION

Net Investment in Capital Assets	7,915,531
Restricted for Loans	2,544,862
Unrestricted	15,316,290

Total Net Position

25,776,683

Total Liabilities and Net Position

\$ 25,854,040

See Notes to Financial Statements

BROOME COUNTY

INDUSTRIAL DEVELOPMENT AGENCY

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION FOR THE YEAR ENDED DECEMBER 31, 2019

Operating Revenues	
Fee Income	\$ 1,128,390
Rental Income	98,612
Other Income	<u>64,195</u>
Total Operating Revenues	<u>1,291,197</u>
Operating Expenses	
Salaries and Benefits	666,583
Depreciation Expense	227,941
Professional Fees	139,148
Office Expense	59,764
Other Administrative Expenses	56,996
Marketing Initiative Expenses	87,633
Pass-Through Expenses	1,285
Insurance	27,654
Repairs, Maintenance, and General	96,143
Professional Development Expense	16,570
Broome County Corporate Park Maintenance	6,156
Utilities	<u>176</u>
Total Operating Expenses	<u>1,386,049</u>
Operating Income (Loss)	<u>(94,852)</u>
Non-Operating Revenues	
Investment Income	267,874
Loan Interest Earned	61,272
Gain (Loss) on Sale of Assets	<u>(3,082,597)</u>
Total Non-Operating Revenues (Expenses)	<u>(2,753,451)</u>
Change in Net Position	(2,848,303)
Net Position, January 1, 2019	<u>28,624,986</u>
Net Position, December 31, 2019	<u>\$ 25,776,683</u>

See Notes to Financial Statements

BROOME COUNTY

INDUSTRIAL DEVELOPMENT AGENCY

STATEMENT OF CASH FLOWS **FOR THE YEAR ENDED DECEMBER 31, 2019**

Cash Flows From Operating Activities	
Cash Received from Providing Services	\$ 294,843
Cash Payments - Salaries Expense	(666,583)
Cash Payments - Contractual Expenses	(455,375)
Net Cash Provided (Used) by Operating Activities	<u>(827,115)</u>
Cash Flows From Non-Capital Financing Activities	
Principal Payments from County	36,842
Net Cash Provided (Used) by Non-Capital Financing Activities	<u>36,842</u>
Cash Flows From Capital and Related Financing Activities	
Sale of Capital Assets	1,837,684
Sale of Property Held for Resale	1,811,099
Purchase of Capital Assets	(8,723)
Loss on Sale of Assets	(3,088,783)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>551,277</u>
Cash Flows From Investing Activities	
Principal Payments on Notes Receivable	42,055
Principal Payments on Loans Receivable	400,640
New Loans Issued	(100,000)
New Loans Issued - Binghamton LDC	(385,000)
Mortgage Payments Received	24,162
Purchase of Investments	(984,269)
Sale of Investments	1,140,580
Investment Income	274,060
Interest Income Received	61,272
Net Cash Provided (Used) by Investing Activities	<u>473,500</u>
Net Change in Cash and Cash Equivalents	234,504
Cash and Cash Equivalents, January 1, 2019	1,443,145
Cash and Cash Equivalents, December 31, 2019	<u>\$ 1,677,649</u>
Reconciliation of Net Operating Income (Loss) to Net Cash Provided by Operating Activities:	
Operating Income (Loss)	\$ (94,852)
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Depreciation	227,941
(Increase) Decrease in Accounts Receivable	(52,500)
(Increase) Decrease in Note Receivable	(993,900)
(Increase) Decrease in Pass-Through Receivable	67,474
Increase (Decrease) in Accounts Payable	36,150
Increase (Decrease) in Unearned Revenue	(17,428)
Net Cash Provided (Used) by Operating Activities	<u>\$ (827,115)</u>

See Notes to Financial Statements

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

Note 1* **Summary of Significant Accounting Policies*

The financial statements of Broome County Industrial Development Agency (the Agency) have been prepared in conformity with generally accepted accounting principles (U.S. GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing U.S. GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the Agency's accounting policies are described below.

Financial Reporting Entity

The Agency was created in 1971 by the Broome County Legislature under the provisions of Chapter 535 of the 1971 Laws of New York State for the purpose of encouraging economic growth in Broome County. The Agency is exempt from federal, state, and local income taxes. The Agency, although established by the Broome County Board of Representatives, is a separate entity and operates independently of the County. The Agency is considered a component unit of the County.

The financial reporting entity consists of (a) the primary government which is the Broome County Industrial Development Agency; (b) organizations for which the primary government is financially accountable; and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete as set forth in GASB Statement No. 14, "The Financial Reporting Entity," as amended.

The decision to include a potential component unit in the County's reporting entity is based on several criteria set forth in GASB Statement No. 14, "The Financial Reporting Entity," as amended.

Basis of Accounting

The accounts of the Agency are maintained on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded when earned. Expenses are recorded when the liability is incurred.

Cash and Cash Equivalents

The Agency considers all highly liquid investments having an original maturity of three months or less to be cash equivalents.

BROOME COUNTY

INDUSTRIAL DEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2019

Note 1 Summary of Significant Accounting Policies - Continued

Investments

Investments consist of U.S. Treasury notes and are stated at fair value based on quoted market prices.

Loans Receivable

The Agency acquired funds from the Appalachian Regional Commission in the 1970s to administer the STEED loan fund. This program is considered a revolving loan program as the purpose is to be able to take the repayments of existing loans and loan those funds out to future project applicants. The purpose of these funds is to create economic development in Broome County. A STEED loan cannot be used to finance the costs of an entire project. In addition, the Agency administers business development and business retention and expansion loan funds. The loan program allows for reimbursement of administrative and overhead costs incurred for the program. For the year ended December 31, 2019, the program reimbursed operating expenses of \$2,240.

Allowance for Uncollectible Loans

The Agency follows the policy of evaluating its loans receivable to adequately reserve for anticipated losses. Management believes all loans receivable are deemed collectible; therefore, no reserve for the loans has been established as of December 31, 2019.

Capital Assets

All property and equipment acquired with grant funds are owned by the Agency and are used in the programs for which they were purchased. There are no revisionary interests by grantor agencies in the assets. Capital assets as defined by the Agency are assets with an initial unit cost of \$1,500 or more and an estimated life in excess of two years. Donated capital assets are recorded at estimated fair value at the date of the donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed and depreciated when placed in service.

Depreciation of property and equipment is provided on a straight-line basis over the following useful lives:

<u>Asset</u>	<u>Years</u>
Buildings	30-40
Building Improvements	10-20
Equipment	3-7

BROOME COUNTY

INDUSTRIAL DEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2019

Note 1 Summary of Significant Accounting Policies - Continued

Equity Classifications

Equity is classified as net position and displayed in three components:

- **Net Investment in Capital Assets** consists of capital assets including restricted capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds, mortgage, notes or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.
- **Restricted for Loans** consists of net resources with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or 2) law through constitutional provisions or enabling legislation.
- **Unrestricted** consists of all other resources that do not meet the definition of "net investment in capital assets" or "restricted."

Fee Income, Grant and Contract Support

The Agency charges a service fee for each project, the proceeds of which are intended to offset Agency expenses and fund continuing operations.

Non-Operating Revenues

Non-operating activities include gains or losses on disposal of capital assets or property held for resale, investment income, grant income, loan interest, and state grants.

Tax-Exempt Bond Transactions

The Agency is an issuer of tax-exempt bond and lease financing for qualified projects. These bonds and leases are the obligation of the borrower. Because the Agency has no obligation to repay the principal and interest of such bonds and leases, they are not reflected as liabilities in the accompanying financial statements. The Agency receives issuance fees from the borrower for providing this service. These fees are recognized immediately upon issuance of the related debt. The Agency did not issue any bonds during 2019, nor were any bonds outstanding as of December 31, 2019.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

Note 2* **Cash and Cash Equivalents*

State statutes govern the Agency's investment policies. In addition, the Agency has its own written investment policy. Monies must be deposited in Federal Deposit Insurance Corporation (FDIC) insured commercial banks or trust companies located within the state. The Treasurer is authorized to use demand accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury and obligations of New York State or its localities.

Collateral is required for demand deposits and certificates of deposit for the Agency at 105% and 100%, respectively, of all deposits not covered by federal deposit insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the state and its municipalities and school districts.

Total bank balances of the Agency of \$1,700,577 at December 31, 2019 were covered by FDIC insurance up to \$250,000. As of December 31, 2019, all deposits with financial institutions were either insured or collateralized with securities held by the pledging financial institution in the Agency's name.

Restricted cash of \$1,005,843 consists of cash for the Agency's STEED and BDF loan funds.

Note 3* **Pass-Through Receivable*

The Agency has facilitated the receipt of and payment of certain grant funds on behalf of other organizations. As of December 31, 2019, the Agency had a pass-through receivable of \$12,464 due to the timing of repayment to the Agency.

Note 4* **Investments*

The Agency categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation of inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The Agency has the following recurring fair value measurements as of December 31, 2019: U.S. Treasury notes of \$6,897,363 are valued using quoted market prices (Level 1).

BROOME COUNTY

INDUSTRIAL DEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2019

Note 5 Loans Receivable

Loans receivable, net is summarized as follows:

	Business Development Revolving Loan	STEED	Business Retention and Expansion	Total
Principal Balance at January 1	\$ 655,828	\$1,273,934	\$ 148,780	\$2,078,542
New Loans	50,000		50,000	100,000
Principal Repayments	(70,224)	(320,219)	(10,197)	(400,640)
 Balance at December 31	 635,604	 953,715	 188,583	 1,777,902
Less: Current portion	(81,862)	(230,902)	(10,177)	(322,941)
 Noncurrent Portion	 \$ 553,742	 \$ 722,813	 \$ 178,406	 \$1,454,961

Note 6 Property Held for Resale

The Agency is holding land and development costs totaling \$2,097,017 of properties throughout Broome County for economic development and resale in accordance with program purposes.

Note 7 Notes Receivable

Notes receivable are summarized as follows at December 31, 2019:

	Interest Rate	Payment	Maturity	Principal
ADEC Solutions USA, Inc.	3%	\$4,903 Monthly	8/2030	\$ 536,522
Canopy Growth USA, LLC	0%	\$400,000 to \$93,900 Annually	1/2026	993,900
 Balance at December 31				 1,530,422
Less: Current portion				(443,335)
 Noncurrent Portion				 \$ 1,087,087

BROOME COUNTY

INDUSTRIAL DEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS **DECEMBER 31, 2019**

Note 8 Mortgages Receivable

Mortgages receivable are summarized as follows at December 31, 2019:

	<u>Interest Rate</u>	<u>Payment</u>	<u>Maturity</u>	<u>Principal</u>
265 Industrial Park Drive, LLC	2.5%	\$18,445 Monthly	9/2037	\$3,150,073
Premium Holdings, LLC	3.0%	\$444 Monthly	6/2037	72,419
Balance at December 31				3,222,492
Less: Current portion				(135,039)
Noncurrent Portion				<u>\$3,087,453</u>

Note 9 Due From County

During 2014, the County had a bond mature with a final balloon payment of \$426,097. The County asked the Agency to make the payment, and the Agency and the County entered into a repayment agreement to repay the amount over the next five years.

During 2016, the County and Agency entered into a purchase agreement of \$100,000 for 20 acres of land in the Broome Corporate Park. The Agency and the County entered into a repayment agreement to repay the amount to the Agency in annual installments of \$5,000 over the next 20 years; commencing August 2017. Due from County totaled \$285,700 at December 31, 2019.

Note 10 Due From Binghamton Local Development Corporation

During the year the Agency entered into an agreement with the Binghamton Local Development Corporation (Binghamton LDC) for the sale of land and building located at 30 Charles Street. The agreement calls for a \$50,000 deposit at closing and payment of \$30,000 per acre when the Binghamton LDC sells the property to a third party. During 2019, the Agency sold 14.5 of 21 acres to the Binghamton LDC, with the remaining 6.5 acres to be sold in 2020. As such, the Agency has recorded a receivable of \$385,000 due from the Binghamton LDC at December 31, 2019.

BROOME COUNTY

INDUSTRIAL DEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2019

Note 11 Capital Assets

The detail of capital assets, net at December 31, 2019 is as follows:

	<u>Balance at 12/31/2018</u>	<u>Additions</u>	<u>Disposals/ Reclassifications</u>	<u>Balance at 12/31/2019</u>
Non-Depreciable Capital Assets				
Land	\$3,790,664	\$	\$ (1,166,277)	\$2,624,387
Total Non-Depreciable Capital Assets	<u>3,790,664</u>	<u>-</u>	<u>(1,166,277)</u>	<u>2,624,387</u>
Depreciable Capital Assets				
Building and Improvements	7,095,189		(1,231,985)	5,863,204
Equipment	23,873	8,723	(22,741)	9,855
Total Depreciable Capital Assets	<u>7,119,062</u>	<u>8,723</u>	<u>(1,254,726)</u>	<u>5,873,059</u>
Total Historical Cost	<u>10,909,726</u>	<u>8,723</u>	<u>(2,421,003)</u>	<u>8,497,446</u>
Less Accumulated Depreciation				
Building and Improvements	(913,478)	(227,214)	560,578	(580,114)
Equipment	(23,815)	(727)	22,741	(1,801)
Total Accumulated Depreciation	<u>(937,293)</u>	<u>(227,941)</u>	<u>583,319</u>	<u>(581,915)</u>
Capital Assets, Net	<u>\$9,972,433</u>	<u>\$ (219,218)</u>	<u>\$ (1,837,684)</u>	<u>\$7,915,531</u>

Note 12 Unearned Revenue

In March of 1997, the Agency entered a Contract for Deed with the United States Government for a parcel commonly known as Air Force Plant #59. This property consists of approximately 30 acres of land on which buildings of approximately 612,000 square feet are situated. The Contract for Deed transferred all beneficial ownership interest of the property to the Agency for the sum of \$10. The U.S. Government agreed to transfer the deed to the property at no cost to the Agency once certain environmental matters were remediated on the property. Pursuant to this transfer, the Agency entered into a lease agreement with the tenant of the property, Lockheed Martin Corporation. Effective September 2000, Lockheed Martin Corporation assigned the lease to BAE Systems Controls, Inc. (BAE). The term of the amended lease was for 27 years. The amended lease required annual rental payments of \$250,000 during the first seven years, \$350,000 during the second ten years, and \$500,000 during the third ten years.

BROOME COUNTY

INDUSTRIAL DEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2019

Note 12 Unearned Revenue - Continued

Annual rental was held in escrow by the Agency and dedicated exclusively to fund capital repairs, capital maintenance, and capital improvements. If the tenant were to give notice of termination, not less than five years prior to the effective date, these funds become sole and exclusive property of the Agency. The tenant also was to pay the Agency a termination fee of \$2,000,000 within 30 days of termination of the lease. In addition to rental payments, the tenant agreed to pay directly to the Agency an additional \$25,000 per year during the first 10 years and \$175,000 per year during the remaining term of the lease for administrative and management fee.

As a result of a major flood in the fall of 2011, BAE Systems Controls, Inc. sustained significant damage (well in excess of \$40,000,000) to its manufacturing facility. As a result, BAE notified the Agency on November 1, 2011 of their election to terminate the lease in accordance with Original Lease §4.1.B (as modified by Paragraph 6 of the Assignment Agreement) and (ii) notice of Tenant's election to terminate the lease in accordance with Real Property Law of the State of New York §227, of Article 7, Chapter 5 ("§227"). The termination fee of \$2,000,000 was waived. The Agency is working with the United States Air Force on a plan which will result in the Air Force taking responsibility for the demolition and environmental remediation of the property. During the interim period prior to the demolition, the Agency will use the \$500,000 insurance proceeds received in 2012 to moth ball and maintain security of the site. As of December 31, 2019, unspent insurance proceeds available for future costs were \$0. Due to termination of the lease, funds that had previously been held in trust for BAE became property of the Agency. The Agency intends to utilize these funds to cover future expenses related to maintenance and security of the site.

Unearned revenue represents the unexpended portion of the \$500,000 insurance proceeds related to flood damage sustained by BAE Systems Controls, Inc. During 2013, an additional \$190,000 for sale of BAE equipment was included in unearned revenue and restricted to expenses related to the flood. During 2019, the Agency incurred \$15,925 related to the flood.

Note 13 Commitments and Contingencies

The Agency is exposed to various risks of loss related to theft of, damage to, and destruction of assets, injuries to employees, and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance for the past three years.

The Agency has received grants and/or program funds which are subject to audit by agencies of the state and federal governments. Such audits may result in disallowances and a request for return of funds. The Agency believes disallowances, if any, will be immaterial.

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

Note 14 Tax Abatements

During the time in which property is leased to a company, the property is exempt from taxes other than special ad valorem levies and special assessments. However, the Agency executes Payment in Lieu of Tax (PILOT) agreements, wherein the company is required to make annual payments to the County, local municipalities, and school districts.

In 2019, \$5,820,503 was received in PILOT payments compared to the \$12,042,364 which would have been received if businesses paid the full amount of property taxes; for total property tax abatements totaling \$9,023,128.

In addition to PILOTs above, \$2,757,397 of sales tax and \$43,870 of mortgage tax abatements were awarded.

Note 15 Leases

The Agency, as lessor, has entered multiple non-cancelable operating leases for space within its office building through September 2022. The agreements call for monthly payments from leases ranging from \$600 to \$4,167. Total receipts under the leases amounted to \$82,783 in 2019.

Future minimum rentals under non-cancelable operating leases are as follows:

<u>Year</u>	<u>Amount</u>
2020	\$ 68,000
2021	65,000
2022	43,750
Total	\$ 176,750

Note 16 Related Party

The Agency performs administrative and supporting services for the Broome County Local Development Corporation (the Corporation). In addition, members of the Agency's Board of Directors make up the Board of Directors for the Corporation.

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

SCHEDULE OF PROJECTS DECEMBER 31, 2019

Project Name	Exemption Period	Purpose	Sales Tax Cap	Sales Tax Exemptions
20 Hawley St.	2012-2022	Construction	\$	\$
250 Main LLC	N/A		17,280	6,187
265 Industrial Park Drive	2018-2037	Manufacturing		
265 Main Street, LLC	N/A		4,000	2,128
50 Front Street	2019-2046	Commercial	841,000	171,024
ADEC Solutions	2016-2031	Services		
AOM 128 Grand Ave	N/A		232,000	33,293
Broome Culinary	2018-2048	Construction	754,000	554,283
Buckingham Manufacturing	2019-2039	Manufacturing	33,000	31,287
Century Sunrise	2018-2048	Construction	640,000	
Chenango Place - One Wall Street	2014-2024	Construction		
Clover Communities	2012-2022	Construction		
CR Land	2018-2028	Construction	160,000	
Dick's MSC and Expansion	2017-2047	Construction	9,200,000	1,240,917
EMT	N/A	Manufacturing	51,928	8,738
Freewheelin ANSCO	2020-2040	Construction	1,200,000	609,615
Gannett Satellite Information Network	2004-2019	Services		
Good Shepherd Village	2010-2040	Offic Facility		
Hashey Enterprises	N/A		16,400	448
Maines - 101 Broome Corp				
Parkway	2004-2019	Wholesale		
Maines - Maple Drive	2007-2022	Wholesale		
1435-1439 Marchuska, LLC (408 Commerce)	N/A		64,000	37,283
Metroplex (UP1 & UP2)	2014-2036	Construction	1,344,720	
Millennium Pipeline	2009-2024	Construction		
National Pipe & Plastics	N/A		418,000	9,528
Nealon Transportation - KMCC Ventures	2017-2033	Transportation		
Pacemaker Steel	2017-2032	Manufacturing		
Printing House - Chenango Empire	2016-2026	Construction		
SaveAround	2018-2038	Manufacturing	45,000	4,569
Scannell - FedEx Ground Package System	2009-2019	Transportation		
Sheedy Road/Juneberry Road	2015-2025	Construction		
Skye View Heights - American Horizons	2016-2038	Construction	400,000	11,587
Spark Broome	N/A		200,000	36,510
Stellar 83 Court	2015-2025	Construction		
Vitaluna	2014-2024	Construction		
Washington Development Associates	2013-2032	Construction		
Woodburn Court	2017-2036	Retirement Community		
Total			\$ 15,621,328	\$ 2,757,397

Mortgage Tax Exemptions	Payments in Lieu of Taxes	Property Taxes if Not Exempt	Total Exemptions	Base Year Jobs	Current Employment 12/31/2019
\$	\$ 383,464	\$ 481,894	\$ 98,430	2	7
			6,187		10
	210,981	258,580	47,599		
			2,128		13
	145,686	63,614	88,952		105
	12,058	44,086	32,028	1	77
43,870			77,163		36
		35,878	590,161		227
			31,287		359
	18,357	669,994	651,637		4
	146,699	428,883	282,184		4
	174,562	323,229	148,667		2
	45,233	90,466	45,233		11
	37,135	1,771,152	2,974,934		657
			8,738		126
	19,255	19,688	610,048		142
	193,133	252,900	59,767		-
	20,397		(20,397)		183
			448		
	619,041	602,378	(16,663)	625	143
	117,968	152,512	34,544	51	
			37,283		2
	1,323,121	1,276,011	(47,110)		12
	924,311	1,848,622	924,311		
			9,528		228
	4,284	17,137	12,853	16	12
	57,147	57,725	578	25	88
	37,173	751,125	713,952		6
	27,104	134,461	111,926		41
	19,059	122,081	103,022	21	57
	462,797	870,591	407,794	135	158
	158,486	183,184	36,285		74
			36,510		85
	54,202	454,385	400,183		20
	157,987	199,836	41,849	61	3
	295,594	760,399	464,805		7
	155,269	171,553	16,284		5
\$ 43,870	\$ 5,820,503	\$ 12,042,364	\$ 9,023,128	937	2,904

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of Directors
Broome County Industrial Development Agency
Binghamton, New York

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Broome County Industrial Development Agency (the Agency), a component unit of the County of Broome, New York, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Agency's financial statements, and have issued our report thereon dated _____, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Agency's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,

Insero & Co. CPAs, LLP
Certified Public Accountants

Ithaca, New York
_____, 2020

MANAGEMENT COMMENT LETTER

Board of Directors
Broome County Industrial Development Agency
Binghamton, New York

In planning and performing our audit of the financial statements of Broome County Industrial Development Agency (the Agency), as of and for the year ended December 31, 2019, in accordance with auditing standards generally accepted in the United States of America, we considered the Agency's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Agency's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This communication is intended solely for the information and use of management, the Board of Directors, Audit Committee, and management of the Agency, and is not intended to be, and should not be, used by anyone other than these specified parties.

Respectfully submitted,

Insero & Co. CPAs, LLP
Certified Public Accountants

Ithaca, New York
_____, 2020

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY
PROJECT REVIEW FORM

Company: 159 Washington Holding, LLC		IDA Meeting Date: 03/18/2020	
Representative: Josh Bishop		IDA Public Hearing Date: TBD	
Type of Business: Mixed Use Housing Project Start Date: 2020 Project End Date: TBD		Company Address: PO Box 1554 Binghamton, NY 13902	
Employment: <small>Full-Time Equivalent</small> Existing 0 1st year 2.5 2nd year 1.5 3rd year 1		Total Yearly Payroll 1st Year \$ 120,000.00 2nd Year \$ 70,000.00 3rd Year \$ 45,000.00 Total: \$ 235,000.00	
		Own / Lease: Own	SF / Acreage: 20,000 sqft
Construction Jobs: 10		Proposed Project Location: 159 Washington St. Bing, NY 13901	
Company Contact For Bid Documents & Employment Opportunities: Josh Bishop, 607-725-9721, josh@jjbm.com		Description: *Please see attached	
PROJECT BUDGET		ASSESSMENT	
Land Related Costs		Current Assessment	\$ 121,000.00
Building Related Costs	\$ 1,500,000.00	Asmt. At Completion (Est.)	\$ 463,000.00
M & E Costs		EXEMPTION (Est.)	
F F & E Costs	\$ 43,200.00	Sales Tax @ 8%	\$ 50,000.00
Professional Services/Development Cost	\$ 35,000.00	Mortgage Tax	\$ 0.00
Total Other Costs		Property Tax Exemption	268,807.82
Working Capital Costs			
Closing Costs			
Agency Fee	\$ 15,782.00	TOTAL EXEMPTIONS:	\$ 318,807.82
TOTAL:	\$ 1,593,982.00	TOTAL PILOT PAYMENTS:	\$ 325,900.76
Project Type (Check all that apply) <input type="checkbox"/> Manufacturing, Warehousing, Distribution <input type="checkbox"/> Agricultural, Food Processing <input type="checkbox"/> Adaptive Reuse, Community Development <input checked="" type="checkbox"/> Housing Development <input type="checkbox"/> Retail* <input type="checkbox"/> Back Office, Data, Call Centers <input type="checkbox"/> Commercial/Office <small>*Uniform Tax Policy does not typically provide tax exemptions for Retail Projects</small>		Project Criteria Met (Check all that apply) <input type="checkbox"/> Project will create and /or retain permanent jobs <input checked="" type="checkbox"/> Project will be completed in a timely fashion <input checked="" type="checkbox"/> Project will create new revenue to local taxing jurisdictions <input checked="" type="checkbox"/> Project benefits outweigh costs <input checked="" type="checkbox"/> Other public benefits <small>*New York State Required Criteria</small>	
Pilot Type <input checked="" type="checkbox"/> Standard 10 year <input type="checkbox"/> <input type="checkbox"/> Deviated _____ year			
Staff Comments:			

Project Description – 159 Washington Holding, LLC

Former Ellis Brothers furniture business, 4 story mixed use building in downtown Binghamton. Approximately 20,000 sq ft to be renovated into 27 one- and two-bedroom apartments geared towards young professionals working in downtown Binghamton. Seeking 1st floor commercial tenants. This is a historic building and the front façade will be preserved in accordance with local CAUD and State Historic Preservation guidelines.

159 Washington Holding, LLC - Standard 10 Year PILOT Schedule (Purchase of Existing Facilities/Commercial)

<u>YEAR</u>	<u>FULL TAXES</u>	<u>% ABATEMENT</u>	<u>PILOT PAYMENT</u>	<u>BENEFIT</u>
2021	\$54,312.67	Frozen	\$11,213.30	\$43,099.37
2022	\$55,398.92	Frozen	\$11,213.30	\$44,185.62
2023	\$56,506.90	Frozen	\$11,213.30	\$45,293.60
2024	\$57,637.04	50%	\$28,818.52	\$28,818.52
2025	\$58,789.78	50%	\$29,394.89	\$29,394.89
2026	\$59,965.58	25%	\$44,974.18	\$14,991.39
2027	\$61,164.89	25%	\$45,873.67	\$15,291.22
2028	\$62,388.19	25%	\$46,791.14	\$15,597.05
2029	\$63,635.95	25%	\$47,726.96	\$15,908.99
2030	\$64,908.67	25%	\$48,681.50	\$16,227.17
TOTALS	\$594,708.58		\$325,900.76	\$268,807.82

Based on an assumed 2% property tax increase per year
Current Assessment \$121,000
 \$11,213.30 1st year taxes

Assessment Upon Completion - \$463,000
ER 79%
Final Taxable Assessment - \$586,075

Years 1-3 Frozen at Current Tax Level
Years 4 and 5 50% Abatement
Years 6-10 25% Abatement

School - 42.754372 \$25,057.27
County - 9.155881 \$5,366.03
City - 40.761629 \$23,889.37

92.671882 \$54,312.67 Total for new tax amount

**Broome County Industrial Development Agency
Cost Benefit Incentive Analysis**

Date: 3.6.2020
 Project Name/Address: 159 Washington Holding, LLC
 Project Start Date: 2020
 Project Description: Former Ellis Brothers furniture business, 4 story mixed use building in downtown Binghamton. Approximately 20,000 sq ft to be renovated into 27 one- and two-bedroom apartments geared towards young professionals working in downtown Binghamton. Seeking 1st floor commercial tenants. This is a historic building and the front façade will be preserved in accordance with local CAUD and State Historic Preservation guidelines.

BENEFIT

Investment: Public/Private/Equity

Building Related Costs	\$	1,500,000.00	
FF&E Costs	\$	43,200.00	
Professional Fees/ Development	\$	35,000.00	
TOTAL INVESTMENT		\$1,578,200.00	<u>\$1,578,200.00</u>

New Mortgages

Jobs

New	5
Retained	<u>0.0</u>
TOTAL JOBS	5.0

Term # Years 10 years

TOTAL PAYROLL	\$	235,000.00		\$	235,000.00
PILOT PAYMENTS	\$	325,900.76	(see Pilot Schedule)	\$	325,900.76
TOTAL BENEFIT	\$	2,139,100.76		\$	2,139,100.76

Cost

Property Tax Estimate

Fair Market Value	\$	463,000.00	upon completion
Equalization Rate		79.00%	
Taxable Assessment	\$	586,075.00	

Tax Rates

County	9.155881	Annual tax	\$	25,057.27	
School	42.754372	Annual tax	\$	5,366.03	
City	40.761629	Annual tax	\$	23,889.37	
ANNUAL TAX	92.671882		\$	54,312.67	number based on 1st year

Pilot Schedule

Terms/Years	Tax	% Abatement	*Pilot Payment	Abatement
SEE PILOT SCHEDULE			\$ -	
Total				

* Assume a 2% Tax Increase Per Year

PROPERTY TAX ABATEMENT	\$	268,807.82		
SALES TAX ABATEMENT	\$	50,000.00		
MORTGAGE RECORDING TAX				
AGENCY FEE	\$	15,782.00		
TOTAL COST	\$	334,589.82	\$	334,589.82
NET BENEFIT/COST			\$	1,804,510.94
Benefit/Cost Ratio				6.39 to 1

Comments/Additional Revenue:

Any Additional Public Benefits:

THE AGENCY

BROOME COUNTY IDA / LDC

If you are using a
laptop, please
download to
your desktop

and would
like to
download to
your desktop

APPLICATION FOR BENEFITS / IDA

INSTRUCTIONS

1. The Agency/IDA will not consider any application unless, in the judgment of the Agency/IDA, said application contains sufficient information upon which to base a decision whether to approve or tentatively approve an action.
2. Fill in all blanks, using "none" or "not applicable" or "N/A" where the question is not appropriate to the project which is the subject of this application (the Project).
3. If an estimate is given as the answer to a question, put "est." after the figure or answer, which is estimated.
4. If more space is needed to answer any specific question, attach a separate sheet.
5. When completed, return one (1) hard copy of this application and one (1) electronic copy to the Agency/IDA at the address indicated on the application.
6. The Agency/IDA will not give final approval to the application until it receives a completed environmental assessment form concerning the Project which is the subject of this application.
7. Please note that Article 6 of the Public Officers Law declares that all records in the possession of the Agency/IDA (with certain limited exceptions) are open to public inspection and copying. If the applicant feels that there are certain elements of the Project which are in the nature of trade secrets or information, the nature of which is such that if disclosed to the public or otherwise widely disseminated would cause substantial injury to the applicant's competitive position, the applicant may identify such elements in writing and request such elements be kept confidential in accordance with Article 6 of the Public Officers Law.
8. The Agency/IDA has established a non-refundable application fee of One Thousand (\$1,000) Dollars to cover the anticipated costs of processing this application. A check or money order payable to the Agency/IDA must accompany each application. **THIS APPLICATION WILL NOT BE ACCEPTED BY THE AGENCY/IDA UNLESS ACCOMPANIED BY THE APPLICATION FEE.**
9. The Agency/IDA has established a project fee for each project in which the Agency/IDA participates. **THIS PROJECT FEE of 1% of the total Project cost IS REQUIRED TO BE PAID BY THE APPLICANT AT OR PRIOR TO THE GRANTING OF ANY FINANCIAL ASSISTANCE BY THE AGENCY/IDA.** The applicant will also be expected to pay to the Agency/IDA all actual costs incurred in connection with the application including all costs incurred by general counsel and bond counsel.
10. The Agency/IDA will charge annually an administrative fee of \$1,500 to cover ongoing compliance and oversight; the fee shall be payable January 1 of each year until all financing documents shall terminate and be discharged and satisfied.
11. Chapter 59 of the Laws of 2013 (Part J), effective March 28, 2013 (the "2013 Budget Law"), established new record keeping, reporting, and recapture requirements for industrial development agencies that receive sales tax exemptions. The new law requires the following: 1) to keep records of the amount of sales tax benefits provided to each Project and make those records available to the State upon request; 2) that within 30 days after providing financial assistance to a Project, the Agency/IDA must report the amount of sales tax benefits intended to be provided to a Project; and 3) a requirement that the Agency/IDA post on the Internet and make available without charge copies of its resolutions and Project agreements.
12. The 2013 Budget Law also requires that the Agency/IDA recapture State sales tax benefits where: 1) the Project is not entitled to receive those benefits; 2) the exemptions exceed the amount authorized or claimed for unauthorized property or services; or 3) the Project operator failed to use property or services in a manner required by its agreement with the Agency/IDA.
13. The Applicant requesting a sales tax exemption from the Agency/IDA must include in the application a realistic estimate of the value of the savings anticipated to be received by the applicant. **EACH APPLICANT IS HEREBY ADVISED TO PROVIDE REALISTIC SALES TAX ESTIMATES IN THE APPLICATION,** as the 2013 Budget Law and the regulations expected to be enacted thereunder are expected to require that the Agency/IDA recapture any benefit that exceeds the amount listed in the application.
14. Project Applicants as a condition to receiving Financial Assistance (including a sales tax exemption, mortgage tax exemption, real property tax abatement, and/or bond proceeds) from the Agency/IDA will be required to utilize qualified local labor and/or contractors as defined in the Appendix A of the application, for all projects involving the construction, expansion, equipping, demolition and remediation of new, existing, expanded or renovated facilities (collectively, the "Project Site").

APPLICATION FOR FINANCIAL ASSISTANCE

APPLICANT

NAME: 159 Washington Holding LLC

APPLICANT'S STREET ADDRESS: PO Box 1554

CITY: Binghamton STATE: NY ZIP: 13902 PHONE: 725-9721

NAME OF PERSON(S) AUTHORIZED TO SPEAK FOR APPLICANT WITH RESPECT TO THIS APPLICATION:

Josh Bishop

PHONE: 725-9721

TITLE: Managing Member

EMAIL: josh@jjbpm.com

APPLICANT'S COUNSEL

NAME: Lillian Levy

FIRM: HHK

EMAIL: llevy@hhk.com

ADDRESS: 80 Exchange St

CITY: Binghamton STATE: NY ZIP: 13901 PHONE: 607-231-6725

APPLICANT'S ACCOUNTANT

NAME: Pat Price

FIRM: Vieira & Associates

EMAIL: pprice@vapc.us

ADDRESS: 111 Grant Ave Suite 106

CITY: Endicott STATE: NY ZIP: 13760 PHONE: 607-723-1272 ext 104

PLEASE OUTLINE ON A SEPARATE SHEET OF PAPER ANY OTHER PROFESSIONALS INVOLVED IN THE PROJECT (I.E. DESIGN PROFESSIONAL, GENERAL CONTRACTOR, ETC.)

PROJECT SUMMARY

A: TYPE OF PROJECT: Select Project Type for all end users at project site (you may check more than one):

<input type="checkbox"/> Industrial	<input type="checkbox"/> Housing	<input type="checkbox"/> Multi-Tenant	<input type="checkbox"/> Back Office	<input checked="" type="checkbox"/> Mixed Use	<input type="checkbox"/> Civic Facility (not for profit)
<input type="checkbox"/> Acquisition of Existing Facility	<input type="checkbox"/> Equipment Purchase	<input type="checkbox"/> Commercial	<input type="checkbox"/> Retail	<input type="checkbox"/> Facility for Aging	<input type="checkbox"/> Other _____

B: EMPLOYMENT IMPACT (BROOME COUNTY):

EXISTING JOBS:

NEW JOBS
WITHIN THREE YEARS:

C: PROJECT COST: \$

D: TYPE OF FINANCING: ☐ TAX-EXEMPT ☐ TAXABLE ☐ STRAIGHT LEASE

E: AMOUNT OF BONDS REQUESTED: \$

F: AMOUNT OF NEW MORTGAGE(S) REQUIRED FOR PROJECT: \$

G: PROJECT-RELATED COSTS SUBJECT TO SALES TAX: \$

H: ESTIMATED VALUE OF TAX EXEMPTIONS:

NYS SALES AND COMPENSATING USE TAX \$

MORTGAGE RECORDING TAXES \$

REAL PROPERTY TAX EXEMPTIONS \$

REQUESTED TERM OF PILOT:

OTHER (PLEASE SPECIFY) \$

I: CURRENT PROPERTY TAX ASSESSMENT \$

CURRENT PROPERTY TAXES \$

APPLICANT INFORMATION

EMPLOYER'S FEDERAL ID NO.

NAICS CODE

1. INDICATE TYPE OF BUSINESS ORGANIZATION OF APPLICANT:

A. ☐ CORPORATION INCORPORATED IN WHAT COUNTRY WHAT STATE

DATE INCORPORATED TYPE OF CORPORATION

AUTHORIZED TO DO BUSINESS IN NEW YORK: ☐ YES ☐ NO

B. ☐ PARTNERSHIP TYPE OF PARTNERSHIP # OF GENERAL PARTNERS # OF LIMITED PARTNERS

C. ☐ SOLE PROPRIETORSHIP

D. ☒ LIMITED LIABILITY APPLICANT DATE CREATED

2. IS THE APPLICANT A SUBSIDIARY OR DIRECT OR INDIRECT AFFILIATE OF ANY OTHER ORGANIZATION(S)? IF SO, NAME OF RELATED ORGANIZATION(S) AND RELATIONSHIP:

List all owners, directors and partners

OFFICE MELO

OTHER PRINCIPAL BUSINESSES

Josh Bishop 16 Conti Ct, Binghamton,
NY 13905

WITHIN THE PAST FIVE YEARS HAS THE APPLICANT, ANY AFFILIATE, ANY PREDECESSOR COMPANY OR ENTITY, OWNER, DIRECTOR, OFFICER, PARTNER OR ANY CONTRACTOR AFFILIATED WITH THE PROPOSED PROJECT BEEN THE SUBJECT OF:

1. an indictment, judgment, conviction, or a grant of immunity, including pending actions, for any business-related conduct constituting a crime?

YES ☐ NO ☐

2. a government suspension or debarment, rejection of any bid or disapproval of any proposed contract, including pending actions, or for lack of responsibility?

YES ☐ NO ☐

3. any final governmental determination of a violation of any public works law or regulation, or labor law regulation?

YES ☐ NO ☐

4. a consent order with the NYS Dept. of Environmental Conservation?

125

5. an unsatisfied judgment, injunction or lien for any business-related conduct obtained by any federal, state or local government agency including, but not limited to, judgments based on taxes owed and fines and penalties assessed?

YES ☐ NO ☐

6. Has any person listed above or any concern with whom such person has been connected ever been in receivership or been adjudicated in a bankruptcy?

YES ☒ **NO** ☐

IF THE ANSWER TO ANY QUESTION 1 THROUGH 6 ABOVE IS YES, PLEASE FURNISH DETAILS ON A SEPARATE ATTACHMENT.

IS THE APPLICANT PUBLICLY HELD?



LIST EXCHANGES WHERE STOCK IS TRADED AND LIST ALL STOCKHOLDERS HAVING A 5% OR MORE INTEREST IN THE APPLICANT.

NAME _____

ADDRESS

PERCENTAGE OF HOLDINGS

APPLICANT'S PRINCIPAL BANK(S) OF ACCOUNT Tioga State Bank

PROJECT DATA

1. Attach a complete narrative description of Project including location, proposed product lines and market projections, square feet by usage, type of construction, machinery for products, machinery for building, office and parking

2. Attach a photo of the site or existing facility to be improved.

4. Attach copies of preliminary plans or sketches of proposed construction or floor plan of existing facility.

4. Are utilities on site or must they be brought in? If so, which ones?

Utilities on site, water, electric, sewer, gas.

5. Who presently is legal owner of building or site? 159 Washington Holding LLC

6. Is there a purchase option in force or other legal or common control in the project?
If so, furnish details in a separate attachment.

YES ☐ NO ☒

Is there an existing or proposed lease for all or a portion of the project?

YES ☒ NO ☐

7. If applicant will not occupy 100% of the building in a real estate related transaction, provide information on tenant(s) on a separate sheet including: name, present address, employer fed. ID no., percentage of project to be leased, type of business organization, relationship to applicant, date and term of lease.

Luma Project is leasing an area of the 1st floor for a studio - ~ 1300 sf

8. Is owner or tenant(s) responsible for payment of real property taxes? OWNER yes

TENANT

9. Zoning district in which Project is located C-2 Downtown Business

10. Are there any variances or special permits required? If yes, please explain:

YES ☐ NO ☒

Planning approvals complete

11. Will the completion of the Project result in the removal of a plant or facility of the Applicant or another proposed occupant of the project from one area of the State of New York to another area of the State? If yes, please explain:

YES ☐ NO ☒

12. Will the completion of the Project result in the abandonment/disposal of one or more plants or facilities of the Applicant located in New York state? If yes, please explain:

YES ☐ NO ☒

13. If the answer to question 11 or 12 is yes, indicate whether any of the following apply to the Project

A. Is the Project reasonably necessary to preserve the competitive position of the Applicant or such Project Occupant? If yes, please explain:

YES

NO

B. Is the Project reasonably necessary to discourage the Applicant or such Project Occupant from relocating outside of New York state? If yes, please explain:

YES

NO

14. Does the Project include facilities or property that are primarily used in making retail sales of goods or services to customers who personally visit such facilities? If yes, please explain:

YES

NO

15. If the answer to question 14 is yes, what percentage of the cost of the Project will be expended on such facilities or property primarily used in making retail sales of goods or services to customers who personally visit the Project?

%

16. If the answer to question 14 is yes, and the answer to question 15 is more than 33.33%, indicate whether any of the following apply to the Project:

A. Will the Project be operated by a not-for-profit corporation? If yes, please explain:

YES

NO

B. Will the Project likely attract a significant number of visitors from outside the economic development region in which the Project will be located? If yes, please explain:

YES

NO

C. Would the Project Occupant, but for the contemplated financial assistance from The Agency, locate the related jobs outside New York state? If yes, please explain:

YES

NO

D. 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 city, town or village within which the Project will be located, because of a lack of reasonably accessible retail trade facilities offering such goods or services? If yes, please explain:

YES

NO

E. Will the Project be located in one of the following: 1) an area designed as an economic development zone pursuant to Article 18-B of the General Municipal Law; or 2) a census tract or block numbering area (or census tract or block numbering area contiguous thereto) which, according to the most Recent census data, has a poverty rate of at least 20% for the year in which the data relates, or at least 20% of households receiving public assistance; and 3) an unemployment rate of at least 1.25 times the statewide unemployment rate for the year to which the data relates? If yes, please explain:

YES

NO

— Econ opportunity zone / development zone
— Also poverty rate is over 20% (33.33% for this location, Binghamton)

F. If the answers to any of subdivisions c. through e. of question 16 is yes, 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

NO

17. Please indicate all other local agencies, boards, authorities, districts, commissions or governing bodies (including any federal, city, county and other political subdivision of the State of New York and all state departments, agencies, boards, public benefit corporations, public authorities or commissions) involved in approving or funding or directly undertaking action with respect to the Project. For example, do you need a municipal building permit to undertake the Project? State Historic Preservation? Do you need a zoning approval to undertake the Project? If so, you would list the appropriate municipal building department or planning or zoning commission which would give said approvals.

Municipal building permit in progress, SHPO and NPS review in progress, and CAUD review will be necessary. City of Binghamton Dept of Building and Code, SHPO, and CAUD.

18. Describe the nature of the involvement of the federal, state or local agencies described above:

SHPO review for historic tax credits, NPS review for the same HTC's. Local building dept will review and approve the building permit.

19. Has construction work on this project begun? If yes, please discuss in detail the approximate extent of construction and the extent of completion. Indicate in your answer whether such specific steps have been completed as site clearance and preparation, completion of foundations, installation of footings, etc.

YES

NO

20. Please indicate amount of funds expended on this Project by the Applicant in the past three (3) years and the purposes of such expenditures:

\$160,000 for down payment on the purchase (\$800,000) - Architectural and engineering work to date - \$25,000

21. Does the project utilize resource conservation, energy efficiency, green technologies, and alternative and renewable energy measures? Please explain:

Water source heat pumps will be utilized for heating and cooling within each apartment, an energy efficient method of heating and cooling.

PROJECT BENEFITS/COSTS

1. NAME OF PROJECT BENEFICIARY ("APPLICANT"):

159 Washington Holding, LLC

2. ESTIMATED AMOUNT OF PROJECT BENEFITS SOUGHT:

A. Amount of Bonds Sought	\$	
B. Value of Sales Tax Exemption Sought	\$	50,000.00
C. Value of Real Property Tax Exemption Sought	\$	268,807.82
D. Value of Mortgage Recording Tax Exemption Sought	\$	
E. Interest Savings IRB Issue	\$	

3. SOURCES AND USES OF FUNDS:

Financing Sources		Application of Funds	
Equity	\$ 378,200.00	Land	\$
Local Banks	\$ 1,200,000.00	Building Acquisition/Construction	\$ 800,000.00
	\$	Expansion/Renovation	\$ 700,000.00
	\$	Machinery & Equipment	\$
	\$	Working Capital	\$
	\$	Other	\$ 78,200.00
TOTAL	\$ 1,578,200.00	TOTAL	\$ 1,578,200.00

Project Description:

Former Ellis Brothers furniture business, 4 story mixed use building in downtown Binghamton. Approximately 20,000 sq ft to be renovated into 27 one- and two-bedroom apartments geared towards young professionals working in downtown Binghamton. Seeking 1st floor commercial tenants. This is a historic building and the front façade will be preserved in accordance with local CAUD and State Historic Preservation guidelines. We are seeking a PILO to assist in keeping the rents affordable to young professionals.

4. PROJECTED PROJECT INVESTMENT:

A. Building and Land Related Costs

1. Land acquisition	\$
2. Acquisition of existing structures	\$ 800,000.00
3. Renovation of existing structures	\$ 700,000.00
4. New construction	\$

C. Machinery and Equipment Costs

\$

D. Furniture and Fixture Costs

\$ 43,200.00

E. Working Capital Costs

\$

F. Professional Services/Development Costs

1. Architecture and Engineering	\$ 35,000.00
2. Accounting/legal	\$
3. Development Fee	\$
4. Other service-related costs (describe)	\$

G. Other Costs

\$

H. Summary of Expenditures

1. Total Land-Related Costs	\$
2. Total Building-Related Costs	\$ 1,500,000.00
3. Total Machinery and Equipment Costs	\$
4. Total Furniture and Fixture Costs	\$ 43,200.00
5. Total Working Capital Costs	\$
6. Total Professional Services/Development Costs	\$ 35,000.00
7. Total Other Costs	\$

TOTAL PROJECT COST \$ 1,578,200.00

AGENCY FEE 1%
(1% OF PROJECT COST) \$ 15,782.00

TOTAL PROJECT EXPENDITURES \$ 1,593,982.00

Have any of the above expenditures already been made by the applicant?
If yes, please provide details:

☒ YES ☐ NO

Building acquisition, \$800,000 total, \$160,000 paid by applicant, \$640,000 mortgage

Please list any non-financial public benefits that the project will provide:

- Retention and reuse of a landmark historic property

PROJECTED CONSTRUCTION EMPLOYMENT IMPACT

Please provide estimates of total construction jobs at the Project:

YEAR	CONSTRUCTION JOBS (Annual wages and benefits \$40,000 and under)	CONSTRUCTION JOBS (Annual wages and benefits over \$40,000)
CURRENT	0.00	
YEAR 1	9.00	1.00
YEAR 2		
YEAR 3		

Please provide estimates of total annual wages and benefits of total construction jobs at the project:

YEAR	TOTAL ANNUAL WAGES AND BENEFITS
CURRENT	\$
YEAR 1	\$ 365,000.00
YEAR 2	\$
YEAR 3	\$

It is the policy of The Agency/IDM to require the Applicant to use local labor, contractors and suppliers in projects that The Agency/IDM is providing financial assistance for. Please refer to the Appendix A (page 16). Local labor, contractors and suppliers shall be defined as employees and companies residing in the following Counties: Broome, Chemung, Chenango, Cortland, Delaware, Otsego, Schuyler, Steuben, Tioga, and Tompkins.

PROJECTED PERMANENT EMPLOYMENT IMPACT

PROJECTED EMPLOYMENT FIGURES - YEAR ONE	UNDER \$30,000	\$30,000 – \$50,000	\$50,000 – \$75,000	OVER \$75,000
Number of Full-Time Employees (FTE) earning		1		
Number of Part-Time Employees earning	3			

Total Payroll For Full-Time Employees	\$	45,000.00		
Total Payroll For Part-Time Employees	\$	75,000.00		
Total Payroll For All Employees	\$	120,000.00		

PROJECTED EMPLOYMENT FIGURES - YEAR TWO	UNDER \$30,000	\$30,000 – \$50,000	\$50,000 – \$75,000	OVER \$75,000
Number of Full-Time Employees (FTE) earning		1		
Number of Part-Time Employees earning	1			

Total Payroll For Full-Time Employees	\$	45,000.00		
Total Payroll For Part-Time Employees	\$	25,000.00		
Total Payroll For All Employees	\$	70,000.00		

PROJECTED EMPLOYMENT FIGURES - YEAR THREE	UNDER \$30,000	\$30,000 – \$50,000	\$50,000 – \$75,000	OVER \$75,000
Number of Full-Time Employees (FTE) earning		1		
Number of Part-Time Employees earning				

Total Payroll For Full-Time Employees	\$	45,000.00		
Total Payroll For Part-Time Employees	\$			
Total Payroll For All Employees	\$	45,000.00		

REPRESENTATIONS BY THE APPLICANT

The Applicant understands and agrees with the Agency/IDA as follows:

1. **STATEMENT OF NEED:** Applicant affirms that there is a likelihood that the project would not be undertaken but for the financial assistance provided by the Agency, or if not, the applicant will provide a statement indicating the reasons the project should be undertaken by the Agency.
2. **JOB LISTINGS:** Except as otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the Project will be listed with the New York State Department of Labor Community Services Division (the "DOC") and with the administrative entity (collectively with the DOC, the "JTPA Entities") of the service delivery area created by the federal job training partnership act (Public Law 97-300) ("JTPA") in which the Project is located.
3. **FIRST CONSIDERATION FOR EMPLOYMENT:** In accordance with Section 858-b(2) of the New York General Municipal Law, Applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency/IDA, except as otherwise provided by collective bargaining agreements, where practicable, the Applicant will first consider persons eligible to participate in JTPA programs who shall be referred by the JTPA Entities for new employment opportunities created as a result of the Project.
4. **ANNUAL SALES TAX FILINGS:** In accordance with Section 874(5) 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/IDA, in accordance with Section 874(5) 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.
5. **REGULATORY COMPLIANCE:** Applicant is in substantial compliance with applicable local, state and federal tax, worker protection and environmental laws and all provisions of article 18-a of the General Municipal Law.
6. **EMPLOYMENT:** The Applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency/IDA, the Applicant agrees to file, or cause to be filed, with the Agency/IDA, on an annual basis, reports regarding the number of people employed at the Project site. The Chief Executive Office shall submit to the Agency/IDA prior to February 1 of each year, a written certification setting forth
 - Number of full-time employees at the Project location in the preceding calendar year;
 - Number of part-time employees at the Project location in the preceding calendar year;
 - Gross payroll of all employees at the Project location in the preceding calendar year.
7. **RECAPTURE POLICY:** The Agency/IDA reserves the right to recapture all or part of any benefits provided to the applicant if any of the following occur:
 - a. The Project Facility as defined in the PILOT/Lease Agreement is sold or closed and the Applicant leaves or departs Broome County.
 - b. There is a significant change in the use of the Project Facility and/or business activities of the Applicant.
 - c. There is a significant reduction in the number of full/part-time jobs at the Project Facility in comparison to what was estimated in the Applicant's Project Application that are not reflective of the Applicant's normal business cycle or national economic conditions.
 - d. The Applicant fails to fully comply with all periodic and/or annual reporting requirements of the Agency/IDA, State or Federal government.
 - e. The Applicant failed to achieve any minimal new job creation figures specified by and within the time-frames specified by the Agency/IDA.
 - f. Failure of the applicant to make timely PILOT payments.
 - g. Failure to cooperate with Agency personnel in providing data of project progress.
 - h. The applicant has committed a material violation of the terms & conditions of a project agreement.
 - i. The applicant has committed a material violation of the terms & conditions of the sales and use tax exemption benefit.

8. ABSENCE OF CONFLICTS OF INTEREST: The Applicant has reviewed from the Agency/ IDA a list of the members, officers and employees, which is publicly viewable at www.theagency-ny.com. No member, officer or employee of the Agency/IDA has an interest, whether direct or indirect, in a transaction contemplated by this Application, except as hereinafter described:

None

9. APPARENT CONFLICTS: Has the Applicant provided any personal gifts, loans or campaign contributions to any local or State political party or elected individual in the preceding 12 months? YES ☐ NO ☒ IF YES, PLEASE DESCRIBE:

10. FEES: This Application must be submitted with a non-refundable \$1,000 application fee to the Agency/IDA.

The Agency/IDA has established a general Agency fee in the amount of 1% of the total cost of the project.
The Agency/IDA will charge annually an administrative fee of \$1,500 to cover ongoing compliance and oversight; the fee shall be payable January 1 of each year until all financing documents shall terminate and be discharged and satisfied.

159 Washington Holding LLC

Applicant

By:

[Signature]

Title:

Mng Member

DOCUMENT LISTS

(A copy of this list should be provided to Applicant's legal counsel)

Please ensure that the following items are delivered with the application:

- | | | | |
|--|-------|------------------------------|-----------------------------|
| 1. A \$1,000 Application Fee. | _____ | <input type="checkbox"/> YES | <input type="checkbox"/> NO |
| 2. An EAF (Environmental Assessment Form). | _____ | <input type="checkbox"/> YES | <input type="checkbox"/> NO |
| 3. Have financing arrangements been made | _____ | <input type="checkbox"/> YES | <input type="checkbox"/> NO |

Prior to the closing of this transaction, Applicant shall deliver the following documentation (where applicable to the project) to The Agency/IDA's legal counsel:

- | | | | | |
|-----|---|-------|-----|----|
| 1. | Insurance Certificate
Certificate of Worker's Compensation Insurance (The Agency/IDA named as additional insured). | _____ | YES | NO |
| | Certificate of General Liability Insurance (The Agency/IDA named as additional insured). Limits not less than \$1,000,000 per occurrence/accident and a blanket excess liability not less than \$3,000,000. | _____ | YES | NO |
| | Certificate of Insurance against loss/damage by fire, lightning or other casualties with a uniform standard extended coverage endorsement in an amount not less than the full replacement value of the Facility (The Agency/IDA named as additional insured). | _____ | YES | NO |
| 2. | Certificate of Incorporation/Articles of Organization together with all amendments or restatements thereto. | _____ | YES | NO |
| 3. | By-Laws/Operating Agreement together with any amendments thereto. | _____ | YES | NO |
| 4. | Good Standing Certificate(s) issued by the State of Incorporation/Organization of the Applicant and NY6. | _____ | YES | NO |
| 5. | Resolutions of the Board of Directors/Members of the Applicant approving the Project. | _____ | YES | NO |
| 6. | List of all Material Pending Litigation of the Applicant. | _____ | YES | NO |
| 7. | List of all Underground Storage Tanks containing Hazardous Materials at the Project. | _____ | YES | NO |
| 8. | List of all Required Environmental Permits for the Project. | _____ | YES | NO |
| 9. | Legal Description of the Project Premises. | _____ | YES | NO |
| 10. | Name and title of person signing on behalf of the Applicant. | _____ | YES | NO |
| 11. | Copy of the proposed Mortgage (if any). | _____ | YES | NO |
| 12. | Applicant's Federal Tax ID Number (EIN). | _____ | YES | NO |
| 13. | Tax Map Number of Parcel(s) comprising the Project. | _____ | YES | NO |
| 14. | Copy of the Certificate of Occupancy (as soon as available) | _____ | YES | NO |

CERTIFICATION

The information contained in this Application, including employment information, is true and correct. The Applicant is aware that any material misrepresentations made in this Application constitute an act of fraud, resulting in revocation of benefits.

The undersigned, on behalf of the Applicant, hereby certifies that the Applicant, and all parties which own a minimum of 20% of the Applicant are current and will remain current on all real property, federal, state, sales, income and withholding taxes throughout the term on any agreements made in connection with the Application.

As of the date of the Application this project is in substantial compliance with all provisions of GML Article 16-A, including but not limited to, the provisions of GML Section 859-a and GML Section 862(1) (the anti-raid provision) and if the project involves the removal or abandonment of a facility or plant within the state, notification by the IDA to the chief executive officer or officers of the municipality or municipalities in which the facility or plant was located.

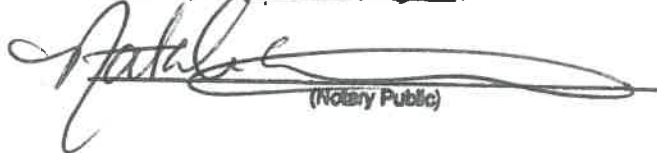
Applicant has read and fully understands The Agency/IDA's Uniform Tax Exemption Policy.

Applicant hereby releases The Agency/IDA and the members, officers, servants, agents and employees thereof (hereinafter collectively referred to as the "Agency/IDA") from, agrees that the Agency/IDA shall not be liable for and agrees to indemnify, defend and hold the Agency/IDA harmless from and against any and all liability arising from or expense incurred by: (i) the Agency/IDA'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 issue of bonds requested therein are favorably acted upon by the Agency/IDA; and (ii) the Agency/IDA's financing of the Project described therein, 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/IDA or the Applicant are unable to find buyers willing to purchase the total bond issue requested, then, and in that event, upon presentation of an invoice itemizing the same, the Applicant shall pay to the Agency/IDA, its agents or assigns, all actual costs incurred by the Agency/IDA in the processing of the Application, including attorneys' fees, if any. By:


(Applicant)

Sworn to before me this

10th day of March, 2020.


(Notary Public)

NATALIE C. ABBADESSA
Notary Public, State of New York
Registration #01AB6221930
Qualified in Broome County
Commission Expires 5/10/22

APPENDIX A – ATTACHMENT TO APPLICATION FOR FINANCIAL ASSISTANCE

Local General Contractor, Subcontractor, Trades and Labor Policy

It is the goal of the The Agency/**IDA** to maximize the use of local labor for each project that receives benefits from the Agency/**IDA**. This policy applies to general contractors, subcontractors, trade professionals, and their employees. The Agency/**IDA**'s Local Labor Area consists of the following New York State counties: Broome, Chemung, Chenango, Cortland, Delaware, Otsego, Schuyler, Steuben, Tioga and Tompkins.

Every applicant is obligated to provide written proof and data (see attached ... forms) to the Agency/**IDA** as to the physical location of all the contractors who will work on the project.

The Agency/**IDA** will review the data provided and determine, on a case-by-case basis and in a fully transparent manner, whether the Applicant has substantially conformed to the policy.

An Applicant **will not be deficient** if the proposed project requires specifically skilled labor that is unavailable in the Local Labor Area.

An Applicant **will not be deficient** if the proposed project utilizes parts and supplies assembled elsewhere because no such assembly is available in the Local Labor Area.

An Applicant **will be held non-compliant** with the Labor Policy if it imports labor from outside the Local Labor Area when equal labor that is ready, willing, cost competitive, etc. resides in the Local Labor Area.

The Agency/IDA may determine on a case-by-case basis to waive any portion of this policy for a project or a portion of a project where consideration of warranty issues, necessity of specialized skills, significant cost differentials between local and non-local services, documented lack of workers meeting the Local Labor Requirement or if other compelling circumstances exist.

In consideration of the extension of financial assistance by the Agency/**IDA**, 159 Washington Holding, LLC (the Applicant) understands the Local Labor Policy and agrees to submit either or both a Local Labor Utilization Report or a Non Local Labor Utilization Report at the time that construction begins on the project to the Agency and as part of a request to extend the valid date of the Agency/**IDA**'s tax-exempt certificate for the 159 Washington St. (the project).

The Applicant understands an Agency/**IDA** tax-exempt certificate is valid for 90 days effective the date of the project inducement and extended for 90 day periods thereafter upon request by the Applicant.

The Applicant further understands any request for a waiver to this policy must be submitted in writing and approved by the Agency/**IDA** before a tax-exempt certificate is issued or extended.

The Applicant further understands that if the required forms are not submitted to the Agency/**IDA**, the Agency/**IDA** shall have the authority to immediately terminate any and all Financial Assistance being provided to the Project.

I agree to the conditions of this agreement and certify all information provided regarding the construction and employment activities for the Project as of 3/10/2020 (date).

APPLICANT: 159 Washington Holding LLC

REPRESENTATIVE FOR CONTRACT DISBURSALS: Josh Bishop

ADDRESS: PO Box 1554

CITY: Binghamton

STATE NY ZIP: 13902

PHONE: 725-9721

EMAIL: josh@jibpm.com

PROJECT ADDRESS: 159 Washington St, Binghamton, NY 13901

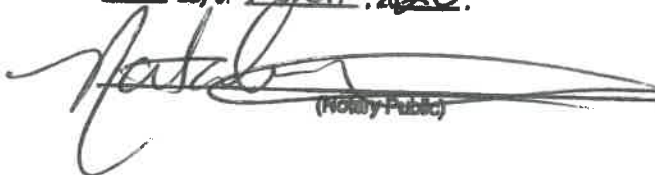
AUTHORIZED REPRESENTATIVE: Josh Bishop

TITLE: Mng Member

SIGNATURE: 

Sworn to before me this

10th day of March, 2020.


(Notary Public)

NATALIE C. ABBADESSA
Notary Public, State of New York
Registration #01AB6221930
Qualified In Broome County
Commission Expires 5/10/22

The following organizations must be solicited in writing for the purpose of meeting the requirements of this Agreement:
"Documentation of solicitation MUST be provided to the Agency"

The Builders Exchange of the Southern Tier, Inc.
15 Belden Street
Binghamton, NY 13903
brea@bextier.com
(607) 771-7000

Southern Tier Building Trades Council
1200 Clemens Center Parkway
Elmira, NY 14901
lbw138ba@aol.com
(607) 732-1237

Binghamton/Oswego Building Trades Council
11 Griswold Street
Binghamton, NY 13904
raikens@lucoe158.org
(607) 723-9593

Dodge Reports
<http://construction.com/dodge/submit-project.asp>
830 Third Ave., 6th Floor
New York, NY 10022
support@construction.com
(877) 784-9566

Tompkins-Cortland Building Trades Council
622 West State Street
Ithaca, NY 14850
tbruenibev241@gmail.com
(607) 272-3122

1/E South College Drive, Suite 201, Binghamton, NY 13905 607.584.9000 THEAGENCY-NY.COM

17 - 19

LOCAL LABOR UTILIZATION REPORT

To be completed for all contractors residing within the Broome County IDA Local Labor Area

APPLICANT:

PROJECT ADDRESS:

CITY:

STATE:

ZIP:

EMAIL:

PHONE:

GENERAL CONTRACTOR/CONSTRUCTION MANAGER:

CONTACT:

ADDRESS:

CITY:

STATE:

ZIP:

EMAIL:

PHONE:

ITEM	CONTRACT/GRN	ADDRESS	EMAIL	PHONE	AMOUNT
Site/Demo					
Foundation/Footings					
Building					
Masonry					
Metals					
Wood/Casework					
Thermal/Moisture					
Doors, Windows & Glazing					
Finishes					
Electrical					
HVAC					
Plumbing					
Specialties					
M&E					
FF & E					
Utilities					
Paving/Landscaping					

CHECK IF CONSTRUCTION IS COMPLETE

CHECK IF THIS IS YOUR FINAL REPORT

I CERTIFY THAT THIS IS AN ACCURATE ACCOUNTING OF THE CONTRACTORS THAT ARE WORKING AT THE PROJECT SITE.

Company Representative

Date

NON LOCAL LABOR UTILIZATION REPORT

To be completed for all contractors not residing within the Broome County RDA Local Labor Area

APPLICANT:

PROJECT ADDRESS:

CITY:

STATE:

ZIP:

EMAIL:

PHONE:

GENERAL CONTRACTOR/CONSTRUCTION MANAGER:

CONTACT:

ADDRESS:

CITY:

STATE:

ZIP:

EMAIL:

PHONE:

ITEM	CONTRACTORS	ADDRESS	EMAIL	PHONE	AMOUNT
Site/Demo					
Foundation/Footings					
Building					
Masonry					
Metals					
Wood/Casework					
Thermal/Insulation					
Doors, Windows & Glazing					
Finishes					
Electrical					
HVAC					
Plumbing					
Specialties					
M&E					
FF & E					
Utilities					
Paving/Landscaping					

CHECK IF CONSTRUCTION IS COMPLETE

CHECK IF THIS IS YOUR FINAL REPORT

I CERTIFY THAT THIS IS AN ACCURATE ACCOUNTING OF THE CONTRACTORS THAT ARE WORKING AT THE PROJECT SITE.

Company Representative

Date

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:

150 Washington St Mixed Use Renovation

Project Location (describe, and attach a location map):

150 Washington St, Binghamton, NY 13901

Brief Description of Proposed Action:

Renovation of 20,000 sq ft of mixed use space at 150 Washington St (Former Elba Bros Furniture Building) in downtown Binghamton. Creating 27 one and two bedroom apartments.

Name of Applicant or Sponsor:

150 Washington Holding LLC

Telephone: 607-725-0721

E-Mail: josh@bpm.com

Address:

PO Box 1654

City/PO:

Binghamton

State:

NY

Zip Code:

13902

1. Does the proposed action only involve the legislative adoption of a plan, local law, ordinance, administrative rule, or regulation?

NO

YES

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?

NO

YES

If Yes, list agency(s) name and permit or approval: Building permit from the Binghamton Building and Code Dept

☐

☒

3. a. Total acreage of the site of the proposed action?

.18 acres

b. Total acreage to be physically disturbed?

0 acres

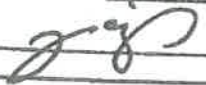
c. Total acreage (project site and any contiguous properties) owned or controlled by the applicant or project sponsor?

.18 acres

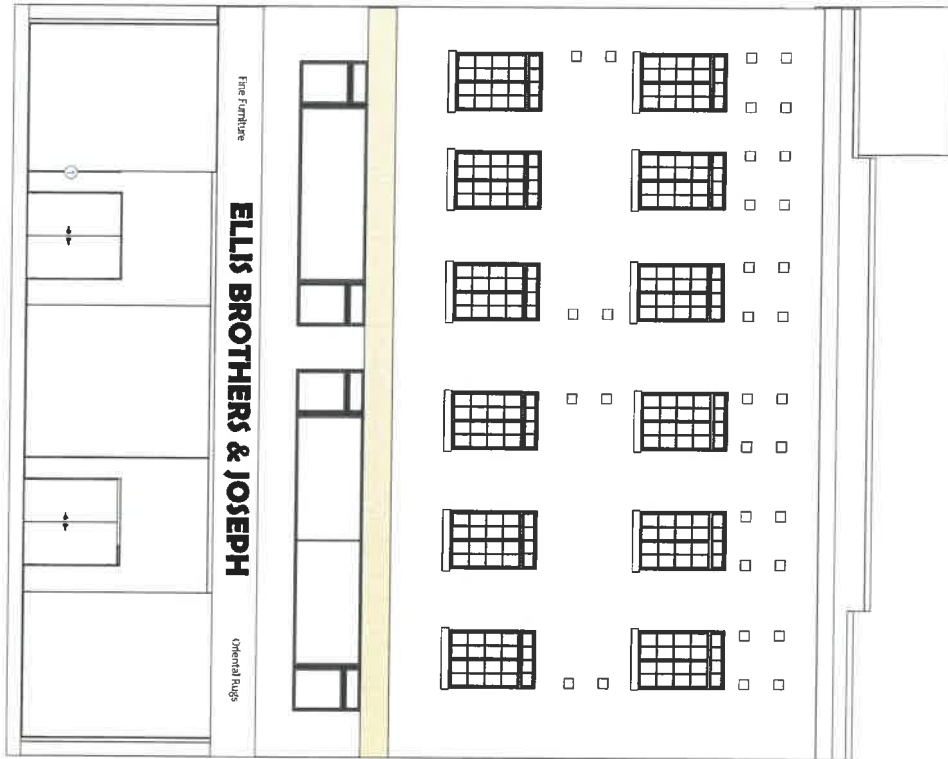
4. Check all land uses that occur on, are adjoining or near the proposed action:

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

5. Is the proposed action,		NO	YES	N/A
a. A permitted use under the zoning regulations?		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. Consistent with the adopted comprehensive plan?		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
6. Is the proposed action consistent with the predominant character of the existing built or natural landscape?		NO	YES	
		<input type="checkbox"/>	<input checked="" type="checkbox"/>	
7. Is the site of the proposed action located in, or does it adjoin, a state listed Critical Environmental Area?		NO	YES	
If Yes, identify: _____		<input checked="" type="checkbox"/>	<input type="checkbox"/>	
8. a. Will the proposed action result in a substantial increase in traffic above present levels?		NO	YES	
b. Are public transportation services available at or near the site of the proposed action?		<input checked="" type="checkbox"/>	<input type="checkbox"/>	
c. Are any pedestrian accommodations or bicycle routes available on or near the site of the proposed action?		<input type="checkbox"/>	<input checked="" type="checkbox"/>	
9. Does the proposed action meet or exceed the state energy code requirements?		NO	YES	
If the proposed action will exceed requirements, describe design features and technologies: _____ _____		<input type="checkbox"/>	<input checked="" type="checkbox"/>	
10. Will the proposed action connect to an existing public/private water supply?		NO	YES	
If No, describe method for providing potable water: _____ _____		<input type="checkbox"/>	<input checked="" type="checkbox"/>	
11. Will the proposed action connect to existing wastewater utilities?		NO	YES	
If No, describe method for providing wastewater treatment: _____ _____		<input type="checkbox"/>	<input checked="" type="checkbox"/>	
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?		NO	YES	
		<input type="checkbox"/>	<input checked="" type="checkbox"/>	
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?		<input checked="" type="checkbox"/>	<input type="checkbox"/>	
13. a. Does any portion of the site of the proposed action, or lands adjoining the proposed action, contain wetlands or other waterbodies regulated by a federal, state or local agency?		NO	YES	
b. Would the proposed action physically alter, or encroach into, any existing wetland or waterbody?		<input checked="" type="checkbox"/>	<input type="checkbox"/>	
If Yes, identify the wetland or waterbody and extent of alterations in square feet or acres: _____ _____ _____		<input checked="" type="checkbox"/>	<input type="checkbox"/>	

14. Identify the typical habitat types that occur on, or are likely to be found on the project site. Check all that apply: <input type="checkbox"/> Shoreline <input type="checkbox"/> Forest <input type="checkbox"/> Agricultural/grasslands <input type="checkbox"/> Early mid-successional <input type="checkbox"/> Wetland <input checked="" type="checkbox"/> Urban <input type="checkbox"/> Suburban		
15. Does the site of the proposed action contain any species of animal, or associated habitats, listed by the State or Federal government as threatened or endangered?	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
16. Is the project site located in the 100-year flood plan?	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
17. Will the proposed action create storm water discharge, either from point or non-point sources? If Yes,	NO	YES
a. Will storm water discharges flow to adjacent properties?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. Will storm water discharges be directed to established conveyance systems (runoff and storm drains)?	<input type="checkbox"/>	<input type="checkbox"/>
If Yes, briefly describe: _____ _____	<input type="checkbox"/>	<input type="checkbox"/>
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: _____ _____	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
19. Has the site of the proposed action or an adjoining property been the location of an active or closed solid waste management facility? If Yes, describe: _____ _____	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
20. Has the site of the proposed action or an adjoining property been the subject of remediation (ongoing or completed) for hazardous waste? If Yes, describe: _____ _____	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND ACCURATE TO THE BEST OF MY KNOWLEDGE Applicant/sponsor/name: <u>150 Washington Holding LLC</u> Date: <u>12/18/2019</u> Signature: <u></u> Title: <u>Mng Member</u>		

PRINT FORM



EXTERIOR ELEVATION FRONT



EXTERIOR VIEW

NOTES:
1. SCOPE OF WORK: EXISTING GLASS AND ALUMINUM ENTRANCE DOOR WILL BE REPLACED ON THE EAST SIDE OF THE LEFT SIDE BY WINDOW TO ACCOMMODATE NEW APARTMENT.
2. ALL NEW WINDOW TYPES AND SIZES WILL BE MAINTAINED. THE GLAZING WILL BE REPLACED WITH NEW ENERGY EFFICIENT GLAZING.



REVISION TABLE			
NUMBER	DATE	REVISED BY	DESCRIPTION

WASHINGTON STREET
APARTMENTS
150 WASHINGTON STREET
BINGHAMTON, NY 13901

ELEVATIONS, FRONT



DATE:

1/22/2020

SCALE:

1/4"=1'-0"

DRAWINGS:

E-1

SHEET:

7

THIS DRAWING IS THE PROPERTY OF DOAK ARCHITECTURAL INC. AND IS NOT TO BE REPRODUCED OR TRANSMITTED IN ANY FORM OR BY ANY MEANS, ELECTRONIC OR MECHANICAL, WITHOUT THE WRITTEN PERMISSION OF DOAK ARCHITECTURAL INC. ANY REUSE OR MODIFICATION OF THIS DRAWING WITHOUT THE WRITTEN PERMISSION OF DOAK ARCHITECTURAL INC. IS PROHIBITED. THE USER OF THIS DRAWING AGREES TO HOLD DOAK ARCHITECTURAL INC. HARMLESS FROM AND AGAINST ALL CLAIMS, DAMAGES, LOSSES AND EXPENSES, INCLUDING REASONABLE ATTORNEY'S FEES, THAT MAY BE ASSERTED AGAINST DOAK ARCHITECTURAL INC. BY ANY THIRD PARTY AS A RESULT OF THE USER'S USE OF THIS DRAWING. THE USER OF THIS DRAWING AGREES TO HOLD DOAK ARCHITECTURAL INC. HARMLESS FROM AND AGAINST ALL CLAIMS, DAMAGES, LOSSES AND EXPENSES, INCLUDING REASONABLE ATTORNEY'S FEES, THAT MAY BE ASSERTED AGAINST DOAK ARCHITECTURAL INC. BY ANY THIRD PARTY AS A RESULT OF THE USER'S USE OF THIS DRAWING.



METROCENTER



WASHINGTON STREET



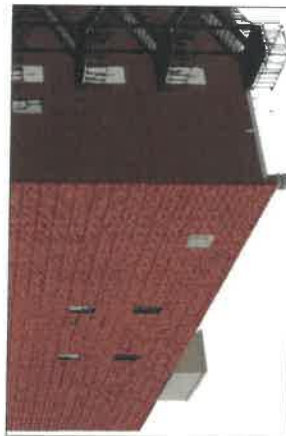
NEW ROOF ACCESS



FRONT STREET VIEW



EXISTING BUILDING



EXISTING BUILDING



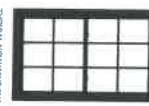
NEW ROOF ACCESS



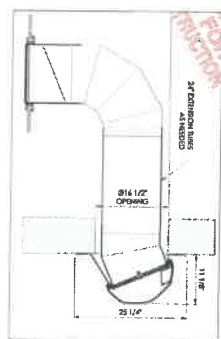
FRONT STREET VIEW



PROJECT LOCATION



1200X NEW WINDOW
JELOH NEW BLACK PAINTED CLAD WOOD
DOOR HINGE WINDOW MATERIAL
MATERIAL AND SIZES



DOOR



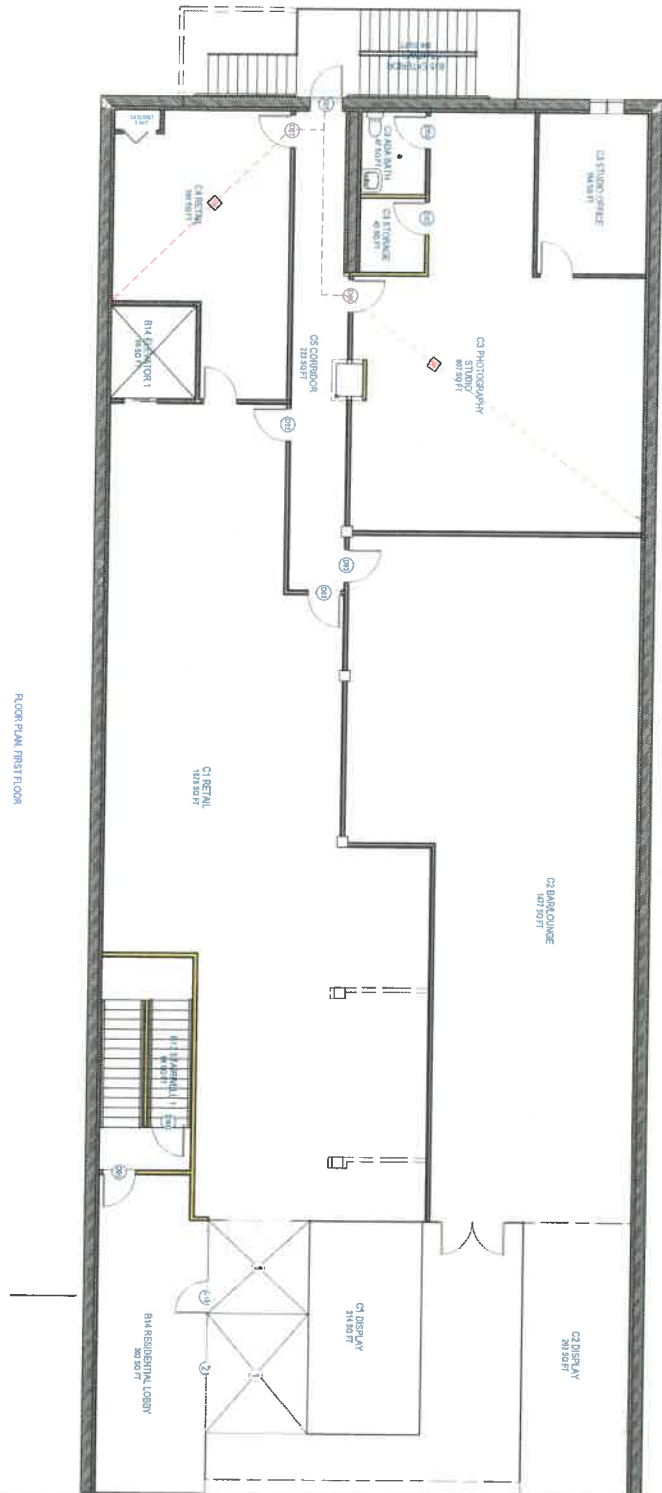
REVISION	DATE	BY	DESCRIPTION

**WASHINGTON STREET
APARTMENTS**
180 WASHINGTON STREET
BOSTON, MA 02108

ELEVATIONS, STREET VIEWS



DATE:	1/2/2020
SCALE:	1/8" = 1'-0"
NTS	
DRAWING:	E4
SHEET:	10



NOTES:
1. THE NEW DOOR ENTRY LANDING SHALL BE FLAT. THE THRESHOLD SHALL BE UP OR LESS. THE SLOPE TO THE NEW LANDING SHALL BE 1:12 OR FLATTER.
2. GLASS DISPLAY PANEL SHALL BE REPLACED WITH STOREFRONT FRAMING. DESIGN AND PLACEMENT TO BE PROVIDED BY OTHERS. MAILBOXES SHALL BE LOCATED IN THIS AREA.

[illegible]

**WASHINGTON STREET
APARTMENTS**
156 WASHINGTON STREET
BINGHAMTON, NY 13901

FLOOR PLAN, FIRST FLOOR



DATE _____

112

SCAL

3/16

DRAFT

1

SHEET

THIS DOCUMENT IS THE PROPERTY OF DOAK ENGINEERING, INC. AND IS NOT TO BE REPRODUCED OR TRANSMITTED IN ANY FORM OR BY ANY MEANS, ELECTRONIC OR MECHANICAL, INCLUDING PHOTOCOPYING, RECORDING, OR BY ANY INFORMATION STORAGE AND RETRIEVAL SYSTEM, WITHOUT THE WRITTEN PERMISSION OF DOAK ENGINEERING, INC. THE USER OF THIS DOCUMENT AGREES TO HOLD DOAK ENGINEERING, INC. HARMLESS FROM AND AGAINST ALL CLAIMS, DAMAGES, LOSSES AND EXPENSES, INCLUDING REASONABLE ATTORNEY'S FEES, THAT MAY BE ASSERTED AGAINST DOAK ENGINEERING, INC. BY ANY THIRD PARTY AS A RESULT OF THE USER'S USE OF THIS DOCUMENT.



FLOOR PLAN, SECOND FLOOR

NOTES:
1. SEE SCHEDULE SHEET FOR DETAILS.



REVISION TABLE			
NUMBER	DATE	REVISOR	DESCRIPTION

**WASHINGTON STREET
APARTMENTS**
150 WASHINGTON STREET
BRIDGEHAMPTON, NY 11901

FLOOR PLAN, SECOND FLOOR



DATE:	1/2/2020
SCALE:	3/16"=1'-0"
DRAWING:	P-3
SHEET:	13

THIS DRAWING IS THE PROPERTY OF DOAK ENGINEERING & ARCHITECTURE, INC. AND IS NOT TO BE REPRODUCED OR TRANSMITTED IN ANY FORM OR BY ANY MEANS, ELECTRONIC OR MECHANICAL, WITHOUT THE WRITTEN PERMISSION OF DOAK ENGINEERING & ARCHITECTURE, INC. ANY VIOLATION OF THIS NOTICE SHALL BE SUBJECT TO LEGAL ACTION.



FLOOR PLAN, THIRD FLOOR

NOTES:
1. SEE SCHEDULE SHEET FOR CALLOUTS.



NO.	DATE	REVISION	DESCRIPTION

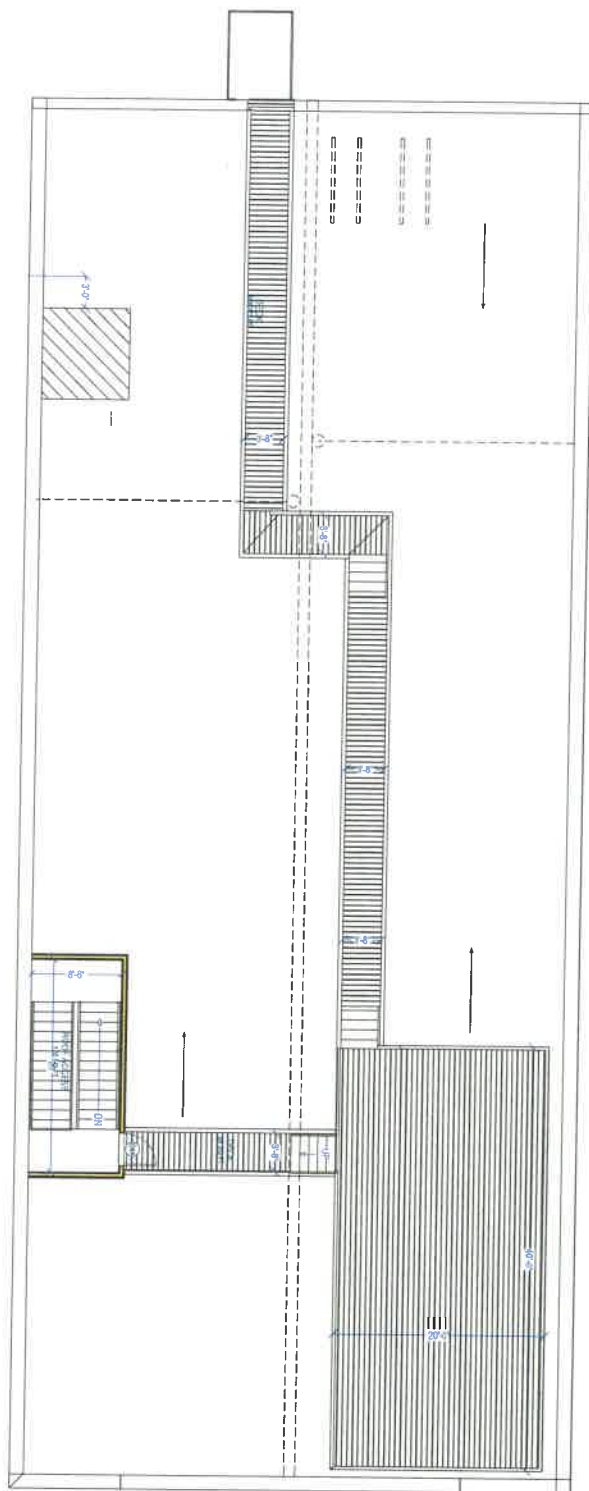
WASHINGTON STREET
APARTMENTS
159 WASHINGTON STREET
ORANGE, NJ 07066

FLOOR PLAN, THIRD FLOOR



DATE: 1/22/2020
SCALE: 3/16"=1'-0"
DRAWING: P4
SHEET: 14

DOAK ENGINEERING, INC. 150 WASHINGTON STREET, BINGHAMTON, NY 13901
 607.733.4726 / 800.462.8888
 WWW.DOAKENGINEERING.COM



3RD FLOOR

NOTES:
 1. DECK SHALL BE PLACED LEVEL. ELEVATION SHALL BE ADJUSTED TO FOLLOW THE ROOF SLOPE WITH SLOPE MEETING THE 42" MIN. RAIL SLOPE. DECK SHALL BE 1" MIN. THICK.
 2. ALL WALLS SHALL BE 8" MIN.

DATE: 1/2/2020

SCALE: 3/16"=1'-0"

DRAWING: P-8

SHEET: 16

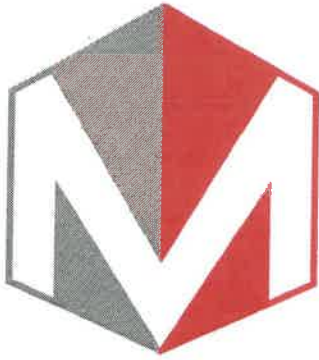


DOAK ENGINEERING
BUILDING & CIVIL ENGINEERING

FLOOR PLAN, ROOFTOP

**WASHINGTON STREET
APARTMENTS**
 150 WASHINGTON STREET
 BINGHAMTON, NY 13901

REVISION TABLE		DESCRIPTION
NUMBER	DATE	



MARCHUSKA COMPANIES

MARCHUSKA BROTHERS CONSTRUCTION, LLC
MARCHUSKA GLASS, LLC
MARCHUSKA DEVELOPMENT, LLC
WALLACE DEVELOPMENT CO., LLC
MARCHUSKA, LLC
1435-1439 MARCHUSKA, LLC
TIOGA LEARNING PROPERTIES, LLC
MARCHUSKA PRODUCTIONS, LLC

408 COMMERCE ROAD
VESTAL, NY 13850

607-786-3762 voice
607-786-0064 facsimile
www.marchuskabrothers.com

Bernard J. Marchuska
Member

Justin A. Marchuska, II
Member

February 21, 2020

Stacey Duncan, Executive Director
The Agency
Five South College Drive
Suite 201
Binghamton, NY 13905

Via USPS & email: INFO@THEAGENCY-NY.COM

RE: **Project 1435-1439 Marchuska, LLC**
(408 Commerce Road) #03011908a

Dear Ms. Duncan:

Our firm has decided to locate our main headquarters at 408 Commerce Road, Vestal, NY in lieu of locating at 1405 East Main Street in Endicott, NY. At this time 1435-1439 Marchuska, LLC is requesting an additional \$35,920.00 Sales Tax Exemption Benefit on purchases of \$449,000.00.

This request is due to extensive HVAC, electrical, and concrete floor replacements, which were not initially slated for such large-scale replacement.

This unforeseeable expense is primarily due to the poor condition of the existing infrastructure of the facility, specifically the following:

1. The existing roof deck needed to be replaced in entirety due to extensive deterioration of roof panels. This included adding appropriate insulation to meet energy code and new roof membrane.
2. The concrete floor, including deck needed to be replaced in entirety between floors due to extensive cracking. This included the floor deck replacement.
3. The water and sewer service had to be replaced in entirety due to the condition of the existing sewer.
4. The exterior wall purlins in most areas were deteriorated badly, requiring our firm to reframe all exterior walls, including new exterior finishes.
5. The existing concrete floor in the lower level was poured at multiple levels, requiring a complete replacement to have a flat sound floor.

6. The existing HVAC could not be reused due to existing conditions and a complete replacement for all spaces was required.
7. The existing electrical service was in disrepair and did not have the capacity to accommodate our proposed use. Additionally, a new electrical service from the utility pole was needed to accommodate the increased capacity.
8. A sprinkler system needed to be added due to Vestal Code review, throughout the entire building.

Thank you in advance for your consideration of this requested increase.

Should you have any questions, please feel free to contact me directly at 607-343-3232.

Very Truly Yours,

1435-1439 MARCHUSKA, LLC

A handwritten signature in dark ink, consisting of a large, stylized 'J' followed by a horizontal line extending to the right.

Justin A. Marchuska, II
Member

cc: File

**BROOME COUNTY
INDUSTRIAL DEVELOPMENT AGENCY
UNIFORM TAX EXEMPTION POLICY
AMENDED NOVEMBER 13, 2019**

UNIFORM TAX EXEMPTION POLICY

The following Uniform Tax Exemption Policy will apply to all installment sales and lease agreements in which the Broome County Industrial Development Agency (BCIDA) holds nominal title to real and personal property on behalf of its clients.

A. MORTGAGE RECORDING TAX (1%)

1. BCIDA eligible projects are exempted from the payment of all mortgage recording taxes.
2. Actual mortgage recording tax savings must be reported to the BCIDA at year's end in compliance with Chapter 692 of General Municipal Laws of NYS as amended.

B. SALES TAX (8%)

1. BCIDA provides full sales tax exemption during initial construction and equipping of the subject facility only. No operating (on-going) sales tax exemptions are permitted by this policy.
2. All sales tax exemption agreements will have an expiration date of one (1) year from date of issuance. Extension of expiration dates must be approved by the Board of Directors.
3. Actual or estimated sales tax savings must be reported to the BCIDA at year's end in compliance with Chapter 692 of the General Municipal Laws of NYS as amended.

C. REAL PROPERTY TAX/Payments-in-lieu-of-Taxes (PILOT)

1. New Construction

- a. **Industrial** projects (manufacturing, assembly, R & D, processing, distribution, warehousing, etc.) consisting of **new construction**, will receive the following **tax abatement**: years **1-5, 75%**; years **6- 10, 50%**; years **11-15, 25%**.
- b. **Commercial** projects (wholesale, office, insurance, etc.) consisting of **new construction** will receive the following **tax abatement**: years **1-5, 50%** and years **6-10, 25%**.
- c. **Retail** projects will be reviewed on a case-by-case basis and must comply with The Agency's Retail Tax Abatement Policy.

2. Purchase of Existing Facilities

- a. **Industrial** projects consisting of the purchase of an **existing facility** will have **taxes frozen** at the level in place at the time of purchase for **5 years**. In the event that the **existing facility** is tax-exempt at the time of purchase, taxes shall be frozen at the level that would have existed but for the existing tax-exemption. In years **6-10**, any **tax increase over the frozen level** will be **abated by 50%** and in years **11-15**, **25%**.
- b. **Commercial** projects consisting of the purchase of an **existing facility** will have **taxes frozen** at the level in place at the time of purchase ~~for 3 years~~ **for 3 years**. In the event that the **existing facility** is tax-exempt at the time of purchase, taxes shall be frozen at the level that would have existed but for the existing tax-exemption. In years **4 and 5**, any **tax increase over the frozen level** will be **abated by 50%** and in years **6-10**, **25%**.
- c. **Retail** projects will be reviewed on a case-by-case basis and must comply with The Agency's Retail Tax Abatement Policy.

3. Improvement of Existing Facility (Previously Owned)

- a. Any project, **industrial or commercial**, which consists of **improving a previously owned facility**, will have taxes **frozen** at the level in place prior to improvements for **3 years**. In years **4 & 5**, any **tax increase over the frozen level** will be **abated by 50%** and in years **6-10**, **25%**.
- b. **Retail** projects will be reviewed on a case-by-case basis and must comply with The Agency's Retail Tax Abatement Policy.

4. Leased Facilities

- a. In any lease transaction (new construction, existing building, etc.), **industrial or commercial**, the policies stated in Sections 1,2, and 3 will apply so long as the tax abatement benefits are passed on to the tenant/occupant. Both the beneficial owner and the tenant/occupant must certify in writing that all tax advantages provided by the IDA are accruing to the benefit of the tenant/occupant.
 - b. **Retail** projects will be reviewed on a case-by-case basis and must comply with The Agency's Retail Tax Abatement Policy.
5. Actual real property tax savings must be reported to the BCIDA at year's end in compliance with the NYS General Municipal Laws, Article 18-A, Title 1, Section 874 as amended.

D. REMITTANCE OF PAYMENTS IN LIEU OF TAXES

All payments-in-lieu-of-taxes are to be remitted to the affected taxing authority as if they were regular tax payments, unless otherwise determined by mutual agreement.

E. RECAPTURE OF BENEFITS

1. The Broome County Industrial Development Agency reserves the right to recapture benefits provided through the abatement of real property taxes in cases in which a company's performance is substantially different than anticipated, as defined below:
 - a. Sale or closure of facility and departure of company from Broome County;
 - b. Significant change in the use of the facility and/or business activities of the company, and;
 - c. Significant employment reductions not reflective of the company's normal business cycle and/or local and national economic conditions.

In cases deemed to meet one or more of the above conditions, the following recapture schedule will apply:

<u>Period</u>	<u>Accumulative Amount Of Recapture</u>
Within 3 Years	100%
Within 5 Years	85%
Within 10 Years	75%
Within 15 Years	50 %
After 20Years	25%

2. The time period above is from the effective date of the PILOT agreement. Imposition of this recapture policy is at the sole discretion of the BCIDA and will be considered on a case-by-case basis.

F. EXCEPTIONS TO REAL PROPERTY TAX (PILOT) POLICIES (“DEVIATED PILOTS”)

1. The Broome County Industrial Development Agency reserves the right to deviate from this policy if it is determined that a project will provide a major economic or employment impact to the County. This exception will require the written approval of the **Chief Elected Official** of the municipality in which the project is located.
2. For locations where a PILOT Policy is already in place, these policies will not apply. However, these locations do have the option of adopting these guidelines and are encouraged to do so.
3. “Spec” buildings and multi-use facilities will be considered on a case-by-case basis.
4. An exception to this policy will apply when a project is located in a “**Targeted Area**” (1) and consists of the purchase and renovation of a vacant facility or site. In those cases, a tax freeze will apply for **7 years** for **industrial** projects with **50%** abatement through **year 10**, and **25%** abatement in **years 11-15**. Commercial projects will receive tax freeze for **5 years**, with **50 %** abatement through **year 10**.
5. Applications that seek a deviation from the BCIDA’s Uniform Tax Exemption Policy will only be advanced to the Board of Directors when the following requirements have been met:
 - a. The applicant has consulted with BCIDA staff and provided an overview of the project seeking benefits;
 - b. The applicant has met with the assessing unit serving the municipality and developed a PILOT schedule;
 - c. The applicant has secured approval from the Chief Elected Officer of the municipality in which the project is located.

When all of these requirements have been met and upon completion of an Application for Benefits, BCIDA staff will advance an application for consideration to the Board of Directors.

(1) The Broome County Industrial Development Agency Board of Directors reserves the right to designate certain areas as “Target Zones”. A Target Zone is an area deemed to be blighted and/or an area with high potential to support economic activity beneficial to the residents of Broome County.

G. ENVIRONMENTAL AND ENERGY EFFICIENCY PROVISIONS

To the extent possible, practicable and economically feasible, the project must utilize resource conservation, energy efficiency, green technologies, and alternative and renewable energy measures.

**BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY
SCHEDULE OF UNIFORM REAL PROPERTY TAX EXEMPTION POLICY**

Years	New Construction Abatement		Purchase of Existing Facility Abatement		Improve/Expand of Existing Facility Abatement	
	Industrial	Commercial	Industrial	Commercial	Industrial	Commercial
1	75%	50%	Frozen (1)	Frozen (1)	Frozen (3)	Frozen (3)
2	75%	50%	Frozen	Frozen	Frozen	Frozen
3	75%	50%	Frozen	Frozen	Frozen	Frozen
4	75%	50%	Frozen	50% (2)	50% (2)	50% (2)
5	75%	50%	Frozen	50%	50%	50%
6	50%	25%	50% (2)	25% (2)	25% (2)	25%
7	50%	25%	50%	25%	25%	25%
8	50%	25%	50%	25%	25%	25%
9	50%	25%	50%	25%	25%	25%
10	50%	25%	50%	25%	25%	25%
11	25%	0%	25% (2)	0%	0%	0%
12	25%	0%	25%	0%	0%	0%
13	25%	0%	25%	0%	0%	0%
14	25%	0%	25%	0%	0%	0%
15	25%	0%	25%	0%	0%	0%

(1) Frozen at pre-purchase levels

(2) Percent of increase over frozen level

(3) Frozen at pre-improvement levels

Execution Copy

**FIRST AMENDATORY AGREEMENT
TO THE
REGULATORY AGREEMENT
FOR THE
CENTURY SUNRISE APARTMENTS PROJECT**

**BY AND AMONG
NEW YORK STATE HOUSING FINANCE AGENCY,
NEW YORK STATE DIVISION OF HOUSING AND COMMUNITY RENEWAL,
CENTURY SUNRISE REDEVELOPMENT LLC
AND
BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY**

**New York State Housing Finance Agency Multi Family Housing
Affordable Housing Revenue Bond Program
Housing Trust Fund Corporation Loan
Low Income Housing Tax Credits and New York State Low Income Housing Tax Credits**

Dated as of March ____, 2020

Record and Return To:
Jay M. Ticker, Esq.
New York State Housing Finance Agency
641 Lexington Avenue
New York, NY 10022
Telephone: 212-872-0365
(Jay.Ticker@nyshcr.org)

Premises: 135-139 Baldwin Street
Village of Johnson City
Broome County
Section: 143.73
Block: 1
Lot: 1

**FIRST AMENDATORY AGREEMENT
TO THE
REGULATORY AGREEMENT
FOR THE
CENTURY SUNRISE APARTMENTS PROJECT**

This First Amendatory Agreement ("Amendment") is entered into as of this ____ day of March, 2020, by and among **CENTURY SUNRISE REDEVELOPMENT LLC** ("Owner"), a New York limited liability company, with an address at c/o Regan Development Corporation, 1055 Saw Mill River Road, Suite 204, Ardsley, New York 10502, **BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY** ("IDA"), a public benefit corporation of the State of New York having an office located at 60 Hawley Street, 5th Floor, Binghamton, New York 13901, the **NEW YORK STATE HOUSING FINANCE AGENCY** ("Agency"), a corporate governmental agency established pursuant to Article III of the PHFL, constituting a public benefit corporation, having its principal place of business at 641 Lexington Avenue, New York, New York 10022 and the **NEW YORK STATE DIVISION OF HOUSING AND COMMUNITY RENEWAL**, having an office at 38-40 State Street, Albany, New York 12207.

RECITALS:

WHEREAS, as of March 16, 2017, the parties entered into a certain Regulatory Agreement ("Regulatory Agreement") with respect to certain real property located in the City Village of Johnson City, Broome County, New York, as more particularly described in Schedule A attached hereto ("Premises"), consisting of two (2) existing residential buildings renovated into mixed-use rental housing containing a total of one hundred five (105) residential rental units of housing, (including one two-bedroom superintendent's unit) all being known as Century Sunrise Apartments; (the "Project") and

WHEREAS, 93 of the Project's revenue units are set aside for households in which incomes are at or below 60% of the Area Median Income for the Binghamton, NY MSA ("AMI"), adjusted for family size (each a "60% AMI Unit"), and the remaining 11 units are set aside for households in which incomes are at or below 90% of the AMI. In addition, 26 units of the 60% AMI Units in the Project are reserved for individuals with intellectual and developmental disabilities (the "Supportive Units"); and

WHEREAS, the Regulatory Agreement was recorded on March 27, 2017 as Instrument Number 201700007737, in Book D2519 at Page 414, in the Office of the Broome County Clerk ("County Clerk's Office"); and

WHEREAS, the Owner and Agency desire to amend the Regulatory Agreement in accordance with federal low-income housing tax credit ("LIHTC") program requirements as applicable to the Project;

NOW THEREFORE, the parties hereto agree as follows:

1. The list of Appendices and Exhibits at the end of the Table of Contents is hereby amended to delete therefrom reference to Schedule B – Distribution of SLIHC Units (and such Schedule B is hereby deleted), and to be deemed to include therein, immediately after the listing of Schedule A – Legal Description of the Premises, reference to the Schedule B-1 - Location of Low Income Units and Applicable Fraction Specification - Low Income Housing Tax Credit Program and Schedule B-2 - Location of Low Income Units and Applicable Fraction Specification – New York State Low Income Housing Credit Program, which Schedules B-1 and B-2 are both attached hereto and made part of the Regulatory Agreement as hereby amended.

2. Exhibit D – Schedule of Amenities and Services is hereby deleted and replaced by the Exhibit D – Schedule of Amenities and Services attached hereto.
3. The fourth WHEREAS clause in the Recitals is hereby deleted and replaced with the following:

WHEREAS, not less than 93 (not less than 89.42%) of the 104 revenue-generating units in the Project are set aside for rental occupancy by households with qualifying incomes at or below 60% of the Area Median Income (“AMI”) (as further defined herein) for the Binghamton, NY MSA (“AMI”), adjusted for family size and, of these units, twenty-six (26) shall be reserved for individuals with intellectual and developmental disabilities (the “Supportive Units”); and

4. The reference to Schedule B in the fifth WHEREAS clause in the Recitals is hereby deleted and replaced by reference to Schedule B-2.
5. Notwithstanding anything to the contrary that may be found in the Regulatory Agreement, Section 3.2(d)(1) of the Regulatory Agreement is hereby deleted, and such provision of the Regulatory Agreement is amended to read as follows:

(d) During the Extended Use Period:

(1) except as provided in Section 4.2 of this Agreement, the Low Income Units, constituting in no event less than 93 of the 104 revenue-generating units in the Project, i.e., not less than 89.42% of the revenue-generating residential units in the Project, shall be occupied or available for occupancy by qualified families or individuals earning not more than 60% of the AMI, as adjusted for family size;

6. Notwithstanding anything to the contrary that may be found in the Regulatory Agreement, Section 3.2(d)(6) of the Regulatory Agreement is hereby deleted, and such provision of the Regulatory Agreement is amended to read as follows:

(6) the “applicable fraction,” as defined in §42(c)(1) of the Code, is hereby specified with respect to each building in Project, as set forth in Schedule B-1, attached hereto.

7. Notwithstanding anything to the contrary that may be found in the Regulatory Agreement, the first paragraph of Section 4.2(a) of the Regulatory Agreement is hereby deleted, and such provision of the Regulatory Agreement is amended to read as follows:

(a) Continuously during the term of this Agreement: (i) not less than 93 of the total of 104 revenue-generating residential units in the Project, i.e., not less than 89.42% of the revenue-generating residential units in the Project, shall be occupied and, once having been so occupied, held available for occupancy by Individuals of Low Income; and (ii) as provided in Section 3.3(a)(1) hereof, all 104 of the revenue-generating residential units in the Project (i.e., the 93 units referred to in (i) of this paragraph, and the remaining 11 units in the Project) shall be occupied or, once having been so occupied, held for occupancy by Individuals of Low Income having incomes of no more than 90% of AMI (collectively, (i) and (ii), the “Low Income Units”). In addition, 26 units of the 93 units

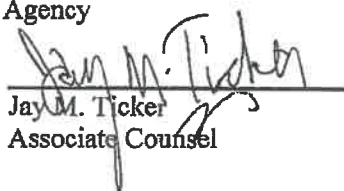
available for occupancy by qualified families or individuals earning not more than 60% of the AMI are to be reserved as Supportive Units.

8. All capitalized terms used in this Amendment and not otherwise defined herein shall have the meaning assigned to them in the Regulatory Agreement; and
9. Except as expressly amended herein, all terms, conditions and provisions of the Regulatory Agreement remain in full force and effect.

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed and delivered by their respective duly authorized representatives, as of the day and year first written above.

Approved by Counsel
to the Agency

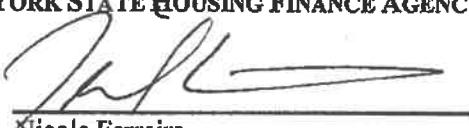
By:


Jay M. Ticker
Associate Counsel

AGENCY:

NEW YORK STATE HOUSING FINANCE AGENCY

By:


Nicole Ferreira
Senior Vice President

OWNER:

CENTURY SUNRISE REDEVELOPMENT LLC,
a New York limited liability company

By: Century Sunrise Redevelopment Manager LLC,
its Managing Member

By: Century Sunrise Redevelopment Associates
LLC, its Manager

By:

Lawrence Regan
Member

IDA:

BROOME COUNTY INDUSTRIAL
DEVELOPMENT FUND CORPORATION


By:

Stacey Duncan
Executive Director

DHCR:

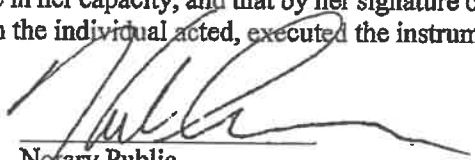
NEW YORK STATE DIVISION OF HOUSING
AND COMMUNITY REBEWAL

By:


Nicole Ferreira
Deputy Commissioner

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the 5th day of March in the year 2020, before me, the undersigned, a Notary Public in and for said state, personally appeared Nicole Ferreira personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her capacity, and that by her signature on the instrument, the individual, or the person on behalf of which the individual acted, executed the instrument.


Notary Public
Commission expires:

HERBERT L. SUSSMAN
Notary Public, State of New York
No. 31-4915952
Qualified in New York County
Commission Expires November 30, 20 21

STATE OF NEW YORK)
) ss.:
COUNTY OF WESTCHESTER)

On the _____ day of March in the year 2020, before me, the undersigned, a Notary Public in and for said state, personally appeared **Lawrence Regan** personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person on behalf of which the individual acted, executed the instrument.

Notary Public
Commission expires:

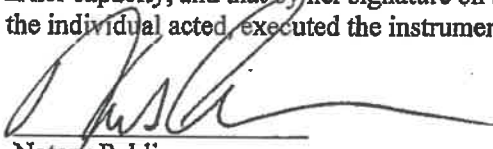
STATE OF NEW YORK)
) ss.:
COUNTY OF BROOME)

On the _____ day of March in the year 2020, before me, the undersigned, a Notary Public in and for said state, personally appeared **Stacey Duncan** personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her capacity, and that by her signature on the instrument, the individual, or the person on behalf of which the individual acted, executed the instrument.

Notary Public
Commission expires:

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the 5th day of March in the year 2020, before me, the undersigned, a Notary Public in and for said state, personally appeared Nicole Ferreira personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her capacity, and that by her signature on the instrument, the individual, or the person on behalf of which the individual acted, executed the instrument.



Notary Public
Commission expires

HERBERT L. SUSSMAN
Notary Public, State of New York
No. 31-4915952
Qualified in New York County
Commission Expires November 30, 2021

SCHEDULE A

LEGAL DESCRIPTION

(Attached)

Schedule A
DESCRIPTION OF PREMISES

FEE PARCEL (SECTION 143.73, BLOCK 1, LOT 1)

ALL that tract or parcel of land situate in the Village of Johnson City, County of Broome, and State of New York, bounded and described as follows:

BEGINNING at a point on the nominal centerline of Willow Street, said point standing at the intersection of the nominal centerline of Willow Street with the southerly boundary of the Erie-Lackawanna Railroad (now or formerly) (formerly New York Lackawanna & Western Railway); said point of beginning being further described as standing therein distant South 03 degrees 14' 31" West 421.06 feet, South 08 degrees 31' 53" West 68.98 feet and South 88 degrees 52' 49" East 28.37 feet as measured respectively along the nominal westerly highway boundary of Willow Street and the southerly boundary of the Erie-Lackawanna Railroad from a point standing at the intersection of the nominal westerly highway boundary of Willow Street with the nominal southerly highway boundary or Corliss Avenue;

THENCE South 05 degrees 07' 39" West 129.20 feet along the nominal centerline of Willow Street to a point standing on the northerly boundary of the Islamic Organization of the Southern Tier (now or formerly);

THENCE North 88 degrees 45' 00" West 371.23 feet along the northerly boundary of the Islamic Organization of the Southern Tier to an iron rod standing on the northerly boundary of Mahir Eisa and Sofia Adam (now or formerly);

THENCE North 88 degrees 59' 24" West 446.56 feet along the northerly boundary of Mahir Eisa and Sofia Adam, the northerly boundary of Valerie A. Vergona (now or formerly), the northerly boundary of Ella Mae Koffel and Judith A. Lyon (now or formerly), the northerly boundary of Orlando A. Pessagno and Elaine H. Pessagno (now or formerly), the northerly boundary of Ronald E. Taylor and Lorraine C. Taylor (now or formerly), the northerly boundary of M. Nasreen Battla (now or formerly) and then along the northerly boundary of The Johnson City Alliance Church (now or formerly) to an iron rod standing on the nominal easterly highway boundary of Baldwin Street;

THENCE North 03 degrees 27' 54" East 129.00 feet along the nominal easterly highway boundary of Baldwin Street to an iron rod standing on the southerly boundary of the Erie-Lackawanna Railroad;

THENCE South 88 degrees 52' 49" East 821.53 feet along the southerly boundary of the Erie-Lackawanna Railroad to the point and place of BEGINNING.

LEASE PARCEL A

All that tract or parcel of land situate in the Village of Johnson City, County of Broome and State of New York, bounded and described as follows:

BEGINNING at a metal survey marker on the nominal easterly highway boundary of Baldwin Street, said metal survey marker standing at the intersection of the nominal easterly highway boundary of Baldwin Street with the northerly boundary of Century Sunrise Redevelopment LLC (Now or Formerly), as described in a Bargain and Sale Deed dated December 21, 2016 and filed in the Broome County Clerk's Office in Liber 2512 of Deeds at Page 290 (Instrument Number 201600032904); the northerly boundary

Schedule to Regulatory Agreement

of Century Sunrise Redevelopment LLC being further described as the southerly boundary of the Erie - Lackawanna Railroad (Now or Formerly) (formerly New York Lackawanna & Western Railway);

THENCE North 03°27'54" East 35.58 feet along the nominal easterly highway boundary of Baldwin Street to a point;

THENCE South 88°52'49" East 796.33 feet to a point standing on the nominal westerly highway boundary of Willow Street;

THENCE South 08°31'53" West 35.85 feet along the nominal westerly highway boundary of Willow Street to an iron rod standing on the northerly boundary of Century Sunrise Redevelopment LLC;

THENCE North 88°52'49" West 793.16 feet along the northerly boundary of Century Sunrise Redevelopment LLC to the point and place of BEGINNING.

LEASE PARCEL B

All that tract or parcel of land situate in the Village of Johnson City, County of Broome and State of New York, bounded and described as follows:

BEGINNING at a point on the nominal westerly highway boundary of Baldwin Street, said point standing at the intersection of the nominal westerly highway boundary of Baldwin Street with the southerly boundary of Wayne A. Jones (d/b/a WAJ Development Company) (Now or Formerly), as described in a Warranty Deed dated December 20, 2013 and filed in the Broome County Clerk's Office in Liber 2421 of Deeds at Page 351; the southerly boundary of Wayne A. Jones (d/b/a WAJ Development Company) being further described as the northerly boundary of the Erie - Lackawanna Railroad (Now or Formerly) (formerly New York Lackawanna & Western Railway);

THENCE South 03°07'00" West 40.62 feet along the nominal westerly highway boundary of Baldwin Street to a point;

THENCE North 88°56'53" West 729.88 feet to a point;

THENCE North 01°07'13" East 40.78 feet to a point standing on the southerly boundary of United Health Services, Inc. (Reputed Owner);

THENCE South 88°56'00" East 731.29 feet along the southerly boundary of lands reputedly owned by United Health Services, Inc., the southerly boundary of Kradro Realty Corporation (Now or Formerly) and then along the southerly boundary of Wayne A. Jones (d/b/a WAJ Development Company) to the point and place of BEGINNING.

SCHEDULE B-1

**LOCATION OF LOW INCOME UNITS
AND APPLICABLE FRACTION SPECIFICATION
LOW INCOME HOUSING TAX CREDIT PROGRAM**

(Attached)

SCHEDULE B-1

**Location of Low Income Units
and
Applicable Fraction Specification
Low Income Housing Tax Credit Program
Century Sunrise Apartments
Johnson City, New York**

Bldg #	Address	Total Units	Low Income Units	Total Sq. Ft.	Low Income Sq. Ft.	LI % Based on Units	LI % Based on Sq. Ft.	Applicable Fraction
1	135-139 Baldwin Street	38	36	32,534	31,092	94.74%	95.57%	94.74%
2	135-139 Baldwin Street	66	57	52,584	45,555	86.36%	86.63%	86.36%
		104	93			Project Wide Applicable Fraction		89.42%

SCHEDULE B-2

**LOCATION OF LOW INCOME UNITS
AND APPLICABLE FRACTION SPECIFICATION
NEW YORK STATE LOW INCOME HOUSING TAX CREDIT PROGRAM**

(Attached

SCHEDULE B-2

Location of Low Income Units and Applicable Fraction Specification New York State Low Income Housing Credit Program Century Sunrise Apartments Johnson City, New York

Bldg #	Address	Total Units	Low Income Units	Total Sq. Ft.	Low Income Sq. Ft.	LI % Based on Units	LI % Based on Sq. Ft.	Applicable Fraction
1	135-139 Baldwin Street	38	38	32,534	32,534	100.00%	100.00%	100.00%
2	135-139 Baldwin Street	66	66	52,584	52,584	100.00%	100.00%	100.00%
		104	104	Project Wide Applicable Fraction				100.00%

EXHIBIT D
SCHEDULE OF AMENITIES AND SERVICES
(Attached)

Project: Century Sunrise Redevelopment

- | Unit #
(If Known) | Unit Type | Residential or Commercial
Use | Revenue- or
Non-Revenue-Generating |
|----------------------|-----------|----------------------------------|---------------------------------------|
| Century 303 | 1BR | Residential | Non-Revenue |
| | | | |

- _____ Parking spaces:
 _____ All spaces
 _____ Indoor parking or garages only
 _____ Additional space(s) after one
 _____ Other: _____
 _____ Storage space
 _____ Recreational facilities/Community center
 Individual utilities:
 _____ ☒ Electric
 _____ ☒ Gas
 _____ ☒ Water for all units (building provides HW Heat for 26 special needs units only)
 _____ ☒ Cable service
 _____ ☒ Heat
 _____ ☒ A/C
 Laundry facilities:
 _____ Washer/Dryer hook-up
 _____ Washer/Dryer in unit
 _____ ☒ Laundry room
 Structural or architectural features:
 _____ Bay windows
 _____ Balconies
 _____ Fireplaces
 _____ Other:
 _____ Den in apartment
 _____ Vaulted ceilings

N/A

N/A

Signed: _____
Title: **Managing Member of MM**

112

**BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY
CODE OF ETHICS**

The members of the board (the "Board") of the Broome County Industrial Development Agency (the "Agency"), a duly established public benefit corporation of the State of New York (the "State"), along with the officers and staff of the Agency, shall comply with and adhere to the provisions of this Code of Ethics ("Code") adopted pursuant to and in accordance Section 2824 of the Public Authorities Law and Article 18 of the General Municipal Law of the State.

**ARTICLE I
CONFLICTS OF INTEREST**

A conflict of interest is a situation in which the financial, familial, or personal interests of a director, officer or employee come into "actual" or "perceived" conflict with their duties and responsibilities with the Agency. "Perceived" conflicts of interest are situations where there is the appearance that a director, officer or employee can personally benefit from actions or decisions made in their official capacity, or where a director, officer or employee may be influenced to act in a manner that does not represent the best interests of the Agency. The perception of a conflict may occur if circumstances would suggest to a reasonable person that a director, officer or employee may have a conflict. "Actual" conflicts of interest are situations where a director, officer or employee can personally benefit from actions or decisions made in their official capacity, or where a director, officer or employee is influenced to act in a manner that does not represent the best interests of the Agency. Except for Prohibited Conflicts of Interest as set forth in Article V herein, Perceived and Actual conflicts of interest should be treated in the same manner for purposes of disclosure under Article IV herein.

**ARTICLE II
STANDARDS OF CONDUCT**

Each director, officer, and employee of the Agency shall: (1) not accept other employment which will impair his or her independence of judgment in the exercise of his or her official duties; (2) not accept employment or engage in any business or professional activity which will require him or her to disclose confidential information which he or she has gained by reason of his or her official position of authority; (3) not disclose confidential information acquired by him or her in the course of his or her official duties nor use such information to further his or her personal interests; (4) not use or attempt to use his or her official position to secure unwarranted privileges or exemptions for himself, herself or others except that nothing herein shall prohibit any business or enterprise in which such director, officer or employee may have a financial interest from obtaining financial assistance provided that the Prohibited Conflicts of Interest provisions of Article V herein are not violated; (5) not engage in any transaction as a representative or agent of Agency with any business entity in which he or she has a direct or indirect financial interest that might reasonably tend to conflict with proper discharge of his or her official duties, except that nothing herein shall prohibit any business or enterprise in which such director, officer or employee may have a financial interest from obtaining financial assistance provided that the Prohibited Conflicts of Interest provisions of Article V herein are not violated; (6) not, by his or her conduct, give reasonable basis for the impression that any person can improperly influence

him or her or unduly enjoy his or her favor in the performance of his or her official duties, or that he or she is affected by the kinship, rank, position or influence of any party or person; (7) abstain from making personal investments in enterprises which he or she has reason to believe may be directly involved in decisions to be made by him or her or which will otherwise create substantial conflict between his or her duty in the public interest and his or her private interest, except that nothing herein shall prohibit any business or enterprise in which such director, officer or employee may have a financial interest from obtaining financial assistance provided that the Prohibited Conflicts of Interest provisions of Article V herein are not violated; and (8) endeavor to pursue a course of conduct which will not raise suspicion among the public that he or she is likely to be engaged in acts that are in violation of his or her trust. Notwithstanding anything herein to the contrary, nothing shall prohibit any director, officer or employee of the Agency from acquiring property adjacent to or otherwise proximate to the lands in which the Agency has an ownership interest provided that such acquisition is not based upon the use of confidential information obtained by such director, officer or employee of the Agency in his capacity with the Agency as determined by such member after consultation with Chairman of the Agency and Counsel to the Agency.

ARTICLE III GIFTS

Pursuant to and in accordance with Section 805-a of the General Municipal Law, no director, officer or employee of the Agency shall directly or indirectly, solicit any gift, or accept or receive any gift having a value of seventy-five dollars or more under circumstances in which it could reasonably be inferred that the gift was intended to influence such individual, or could reasonably be expected to influence such individual, in the performance of the individual's official duties or was intended as a reward for any official action on the individual's part. Inferences that gifts having a value of less than seventy-five dollars can influence or reward directors, officers or employees of the Agency is deemed to be unreasonable.

ARTICLE IV PROCEDURES FOR DISCLOSURE

Except for Prohibited Conflicts of Interest as set forth in Article V below, all directors, officers or employees of the Agency shall adhere to the following procedures:

1. All Actual and Perceived conflicts of interest shall be disclosed in writing to the Ethics Officer as soon as practicable after learning of the Actual or Perceived conflict of interest. The written disclosure must (i) identify the matter before the Agency, (ii) identify the Standard of Conduct in question and (iii) contain sufficient facts and circumstances in order to accurately convey the extent of the director's, officer's or employee's interest in such matter. In addition, in the event a director on the board of the Agency has a conflict, he or she shall verbally disclose the conflict during a public session of a board meeting at which the matter creating the conflict appears on the agenda. Such verbal disclosure shall be recorded in the minutes of the meeting and be made part of the public record.

2. The director, officer or employee with the conflict of interest shall refrain from participating in discussions or decisions on the matter creating the conflict. In addition, in the event a director on the board of the Agency has a conflict, he or she shall recuse him or herself from any deliberations and abstain from voting on such matter creating the conflict.

3. The director, officer or employee with the conflict of interest shall refrain from directly or indirectly attempting to influence the discussions, decisions, deliberations or vote on the matter giving rise to such conflict.

ARTICLE V PROHIBITED CONFLICTS OF INTEREST

General Municipal Law ("GML") Article 18 regulates financial conflicts of interest of directors, officers and employees of the Agency. Therefore, notwithstanding any other provision contained in this Policy, financial conflicts of interest shall be governed solely by this Article V.

Prohibition: No director, officer or employee shall have a direct or indirect financial interest in a contract with the Agency where such director, officer or employee has some form of control over the contract ("Prohibited Interest").

No Cure: Disclosure and recusal will not cure a Prohibited Interest. In order to avoid a violation of a "Prohibited Interest" the contract may not be acted upon or the director, officer or employee would have to resign.

Violations: Any director, officer or employee who is determined to have "willfully and knowingly" violated the Prohibited Interest provisions of Article 18 of the GML may be found guilty of a misdemeanor. In addition, the contract, if willfully entered into, may be determined "null, void and wholly unenforceable"

Exceptions: Article 18 of the GML provides fifteen exceptions to the Prohibited Interest provision. One of the more commonly claimed exceptions comes into play when the director, officer or employees ("officials") interest in the contract is prohibited solely by reason of the official's employment with the entity that has the contract with the Agency. This exception applies provided: (a) the official's compensation from the private employer is not contingent upon the contract between the employer and the Agency and (b) the official's duties for the private employer do not directly involve the procurement, preparation or performance of any part of the contract. [Note: This exception does not cover an Agency official who is a director, partner, member, or shareholder of the private employer]. The second most commonly claimed exception is where the official has an interest in a contract that was entered into with the Agency prior to the time the official was elected or appointed as such director, officer or employee of the Agency. Provided, however, this exception does not authorize the renewal of any such contract.

Disclosure of Exception: Disclosure of Interest that falls within one of the Exceptions: The official is required to publicly disclose the nature and extent of his or her prospective, existing or subsequently acquired interest in any actual or proposed contract. The disclosure

must be made in writing and must be placed, in its entirety, in the official record. The official must recuse him or herself from participating in any discussion or action on the contract.

Notification of Potential Conflict due to a Financial Interest: Every director, officer or employee shall immediately notify the Agency's Ethics Officer of any potential conflict of interest due to a direct or indirect financial interest in any matter coming before the Agency where such director, officer or employee has the power or duty to negotiate, prepare, authorize or approve the matter before the Agency. The Ethics Officer shall review the potential financial conflict of interest pursuant to the provisions of Article 18 of the GML in consultation with Agency counsel.

ARTICLE VI PENALTIES

Any employee that fails to comply with this Policy may be subject to termination. In addition, any director, officer or employee that fails to comply with this Policy may be penalized in a manner provided for in law.

ARTICLE VII ETHICS OFFICER

The Agency's Board shall designate an officer, director or employee of the Agency to serve as the Ethics Officer of the Agency. In the event of a vacancy, the Agency Board Chair shall serve as the Ethics Officer until such time as the Agency Board appoints a successor.

The Ethics Officer shall report to the Governance Committee. The Ethics Officer shall have the powers and duties set forth below, and such other powers and duties as may be prescribed by the Board:

1. Advise in confidence each director, officer or employee of the Agency who seeks guidance regarding ethical behavior.
2. Receive and record disclosures of conflicts of interest in the record of the Agency.
3. Receive and investigate complaints about possible violations of this Code of Ethics. Dismiss complaints found to be without substance.
4. Prepare investigative reports of his or her findings to be submitted for action by the Board.
5. Seek consultation and guidance from Agency Counsel.

ARTICLE VII
WHISTLEBLOWER POLICY

In accordance with Title 12 of Article 9 of the Public Authorities Law, the Agency adopted a Whistleblower Policy to afford certain protections to individuals who, in good faith, report violations of the Agency's Code of Ethics or other instances of potential wrongdoing within the Agency. This Policy provides Agency directors, officers, and employees with a confidential means to report credible allegations of misconduct, wrongdoing, or unethical behavior and to protect those individuals, when acting in good faith, from personal or professional retaliation. The Whistleblower Policy is available to all directors, officers, and employees of the Agency.

Approved and adopted this 20th day of April, 2016

**BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY
DEFENSE AND INDEMNIFICATION POLICY**

The Broome County Industrial Development Agency (the Agency), shall indemnify all Directors of the Board and each officer and employee thereof, in the performance of their duties, and to the extent authorized by the Board, each other person authorized to act for the Agency or on its behalf, to the full extent to which indemnification is permitted under the General Municipal Law of the State of New York.

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY
WHISTLE-BLOWER POLICY

Every member of the Board of Directors (the "Board") of the Broome County Industrial Development Agency (The Agency) and all officers and employees thereof, in the performance of their duties shall conduct themselves with honesty and integrity and observe the highest standard of business and personal ethics set forth in the Code of Ethics of The Agency (the "Code.")

Each member, officer or employee is responsible to report any violations of the Code (whether suspected or known) to The Agency's Executive Director. Reports of violations will be kept confidential to the extent possible. No individual, regardless of their position with The Agency, will be subject to any retaliation against someone who has reported a violation, shall be subject to disciplinary action which may include termination of employment. Regardless, any claim of retaliation will be taken and treated seriously and irrespective of the outcome of the initial complaint, will be treated as a separate offense.

The Executive Director is responsible for immediately forwarding any claim to The Agency's counsel who shall investigate and handle the claim in a timely manner.

In accordance with Public Authorities Law Section 2857, no state or local authority shall fire, discharge, demote, suspend, threaten, harass or discriminate against an employee because of the employee's role as a whistleblower, insofar as the actions taken by the employee are legal.

Approved and Adopted this 21st day of August, 2019

**BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY
COMPENSATION, REIMBURSEMENT AND ATTENDANCE POLICY**

Pursuant to and in accordance with Sections 856 and Article 18a of the General Municipal Law of the State of New York, the Directors of the Board of the Broome County Industrial Development Agency (the "Board") shall serve without salary at the pleasure of the Legislature of the County of Broome, New York (the "MUNICIPALITY") but may be reimbursed for reasonable expenses incurred in the performance of Agency duties at the approval of the Board.

The officers, employees and agents of the Agency shall serve at the pleasure of the Agency at such compensation levels as may be approved by the Board from time to time and may be reimbursed for reasonable expenses incurred in the performance of Agency duties at the approval of the Board.

The Directors of the Board and officers of the Agency shall be available as required to perform the operations of the Agency and as set forth within the By-Laws of the Agency, as may be amended, restated or revised by the Board from time to time. Said Directors and officers of the Agency shall put forth their best efforts to perform their respective duties as outlined in the By laws of the Agency and any other directives of the Board relating to same.

**BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY
TRAVEL POLICY**

Section 1. APPLICABILITY

This policy shall apply to every Director of the Board (the "Board") of the Broome County Industrial Development Agency (the "Agency") and all officers and employees thereof.

Section 2. APPROVAL of TRAVEL

All official travel for which a reimbursement will be sought must be approved by the Executive Director prior to such travel. Provided, however, in the instance where the Executive Director will seek reimbursement for official travel, such travel must be pre-authorized by the Chairman of the Agency.

Section 3. PAYMENT of TRAVEL

The Agency will reimburse all reasonable expenses related to meals, travel and lodging that were incurred by any director, officer or employee as a result of the performance of their official duties. All official travel shall be properly authorized, reported and reimbursed. Under no circumstances shall expenses for personal travel be charged to, or temporarily funded by the Agency. It is the traveler's responsibility to report his or her travel expenses in a responsible and ethical manner, in accordance with this policy.

Section 4. TRAVEL EXPENSES

Travelers may use their private vehicle for business purposes if it is less expensive than renting a car, taking a taxi, or using alternative transportation, or if it saves time. The traveler will be reimbursed at the maximum rate allowed by the Internal Revenue Service.

Meals will be reimbursed at actual expense or a per diem rate, whichever is less. Lodging will be reimbursed at actual expense up to certain daily rate caps established for various locations. The applicability of such caps shall be determined on a case by case basis taking into consideration availability of lodging and other extenuating circumstances.

Reimbursement for miscellaneous expenses shall be determined on a case by case basis. Mileage rates, per diem allowances and lodging caps will be established and from time to time amended by the Treasurer. All determinations made pursuant to this section shall be made by the Treasurer. In the instance where such determinations regard the travel of the Treasurer, the Chairman shall make such determinations.

Authority Mission Statement and Performance Measurements

Local Public Authority Name: Broome County Industrial Development Agency

Fiscal Year: January 1, 2019 – December 31, 2019

Enabling Legislation: Industrial development agencies (“IDAs”) are formed under Article 18-A of New York State General Municipal Law, as public benefit corporations. IDAs were created to actively promote, encourage, attract and develop job and recreational opportunities and economically-sound commerce and industry in cities, towns, villages and counties throughout New York State (the “State”). IDAs are empowered to provide financial assistance to private entities through tax incentives in order to promote the economic welfare, prosperity and recreational opportunities for residents of a municipality.

Mission Statement: The Broome County IDA is a catalyst, partner and investor that delivers clear benefits including job opportunities, development sites and enhanced quality of life. The BCIDA promotes and leverages all available resources and Broome County’s strengths to foster economic growth and create prosperity in an ethical and transparent manner

Date Adopted: December 13, 2013

List of 2020 Performance Goals:

1. Develop a joint strategy with the Chamber of Commerce to continue advancing the *Broome County...a good life™* campaign.
2. Work with local municipalities to address quality of life issues such as vibrant downtowns and housing options.
3. Aggressively seek out community and economic development opportunities in target communities (Binghamton, Endicott and Johnson City urban cores); and work with Broome County and local municipalities to bring about transformation of designated Brownfield Opportunity Areas and Opportunity Zones.
4. Continue to identify and pursue site development opportunities; closely monitoring potential opportunities such as creation of a 26-acre shovel-ready site on former BAE property in Johnson City, airport corridor, Oakdale Mall, former Heritage site, Binghamton Plaza site, Endicott Plaza (former K-Mart) and Windsor.
5. Pursue opportunities to develop new industry sector clusters and supply chain development where there are local and regional strengths, such as Healthcare, Advanced Manufacturing, Energy Storage and Hemp.
6. Seek to achieve long-term financial sustainability of the IDA.
7. Continue to maintain ABO compliance.

Authority Stakeholder(s): Broome County Legislature

Authority Beneficiaries: The residents of Broome County

Authority Customers: The residents and businesses of Broome County

Authority self-evaluation of 2019 Performance:

1. Developed a strategy to address issues critical to workforce development, including the need for country-wide housing revitalization.
2. Supported existing businesses, new businesses and developers by acquiring a new low-interest loan program.
3. Prepared and maintained an asset and project development profile and mapping for target areas in each community.
4. Facilitated meetings and forums of key stakeholders to discuss physical and technology infrastructure necessary to support community and economic development; added new Community Development Specialist to staff.
5. Identified and pursued site development opportunities.
6. Continued to maintain ABO compliance.

Governance Certification:

1. Have the board members acknowledged that they have read and understood the mission of the public authority?

Board of Directors Response: Yes

2. Who has the power to appoint management of the public authority?

Board of Directors Response: The Board of Directors

3. If the Board appoints management, do you have a policy you follow when appointing the management of the public authority.

Board of Directors Response: Yes

4. Briefly describe the role of the Board and the role of management in the implementation of the mission.

Board of Directors Response: The Board provides oversight, sets policy, and sets the strategic direction for the Agency. Agency management works closely with the board to ensure the Agency's activities are always in line with the mission of the organization.

5. Has the Board acknowledged that they have read and understood the response to each of these questions?

Board of Directors Response: Yes