

THE AGENCY

BROOME COUNTY IDA / LDC

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

May 20, 2020 • 12:00 p.m. • The Agency Conference Room
FIVE South College Drive, Suite 201, 2nd Floor
Binghamton, New York 13905

AGENDA

1. Call to Order J. Bernardo
2. Approve Transcript – April 15, 2020 Board Meeting J. Bernardo
3. Public Comment J. Bernardo
4. Executive Director's Report S. Duncan
 - Updates
 - Internal Financial Report – April 30, 2020
5. Loan Activity Reports as of April 30, 2020 T. Gray

New Business

6. Resolution Authorizing a \$75,000.00 Loan Request from Bryant Heating & Air Conditioning, Inc. from the STEED Loan Fund Program to Assist it with Working Capital for use at Their Facility at 528 Old Front Street, Binghamton, NY T. Gray
7. Resolution Authorizing a \$250,000.00 STEED Loan Fund Request from Paulus Development, LLC to Assist it with Working Capital for use at its Facility at 59 Lester Avenue, Johnson City, New York T. Gray
8. Resolution Authorizing a \$25,000.00 Loan Request from Melissa Beers from the STEED Loan Fund Program to Assist her Business with Permanent Working Capital for use at her Facility at 11 South Broad St. in Norwich, NY T. Gray
9. Resolution Accepting an Application from GJS Property Group, LLC and Authorizing a Sales and Use Tax Exemption in an Amount not to Exceed \$60,000.00, Consistent with the Policies of The Agency in Connection with the Renovation of the Property and Building Located at 85 Main Street, Village of Johnson City, Broome County, New York S. Duncan
10. Resolution Accepting an Application from Beer Tree Brew Works, Inc. and Authorizing a Sales and Use Tax Exemption in an Amount not to Exceed \$96,000.00, Consistent with the Policies of The Agency in Connection with the Renovation of Interior Space Leased to Beer Tree Brew Works, Inc. at the Former Sears Building Located Within the Oakdale Mall, 501 Reynolds Road, Village of Johnson City, Broome County, New York S. Duncan
11. Resolution Approving an Extension of the Sales and Use Tax Exemption Letter of AOM 128 Grand Avenue Through, and Including, May 8, 2021, not to Exceed \$232,000.00 S. Duncan
12. Resolution Approving an Extension of the June 19, 2019 Sales and Use Tax Exemption Agreement with National Pipe & Plastic, Inc., from June 19, 2019 Through, and Including June 19, 2021, of which the Total Shall not Exceed \$418,000.00 S. Duncan

Old Business

13. Adjournment J. Bernardo

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

IDA Board Meeting Transcript

Held telephonically, April 15, 2020, commencing at
12:02 p.m. Adjourned at 12:24 p.m.

REPORTED BY:

Carrie Hornbeck, Executive Assistant

Broome County Industrial Development Agency

Chairman Bernardo: Okay, I would like to call to order the meeting of the Broome County Industrial Development Agency of April 15, 2020. And I would ask Carrie to do a roll call, please.

Ms. Hornbeck: I can't see who is attending, so if every person could just announce themselves, that would be appreciated.

Chairman Bernardo: John Bernardo.

Ms. Duncan: [Inaudible.] Rather than all shouting, I will just call everyone's name, and just signify by saying, here.

Ms. Hornbeck: Okay.

Ms. Duncan: John Bernardo.

Chairman Bernardo: Yes, here.

Ms. Duncan: Joe Mirabito. Still working on Joe. Dan Crocker.

Mr. Crocker: Here.

Ms. Duncan: Brian Rose.

Mr. Rose: Here.

Ms. Duncan: John Stevens.

Mr. Stevens: Here.

Ms. Duncan: Jim Peduto.

Mr. Peduto: Here.

Ms. Duncan: Cheryl Sacco.

Ms. Sacco: Here.

Ms. Duncan: Wayne Howard.

Mr. Howard: Here.

Ms. Duncan: Joe Mirabito. Do we have audio with Joe, yet? Okay. Still working on audio with Joe. Agency staff: Stacey Duncan, here. Natalie Abbadessa.

Ms. Abbadessa: Here.

Ms. Duncan: Brendan O'Bryan.

Mr. O'Bryan: Here.

Ms. Duncan: Tom Gray.

Mr. Gray: Here.

Ms. Duncan: Theresa Ryan.

Ms. Ryan: Here.

Ms. Duncan: Carrie Hornbeck.

Ms. Hornbeck: Yep. Here.

Ms. Duncan: And counsel, Joe Meagher.

Attorney Meagher: Here.

Ms. Duncan: Okay, and let's try Joe Mirabito. Do we have audio with you, Joe, yet? No audio for Joe yet, so why don't we keep moving, and --

Ms. Hornbeck: And so, we also have Mayor Deemie on, too, right?

Ms. Duncan: Yes. I have Mayor Deemie. Are there any others attending the meeting? Can you signify -- can you state your name for the record?
[No response.] Okay.

Chairman Bernardo: Okay. In the order of the agenda, looking for approval of the minutes for the March 18, 2020 Board meeting. You should all have a copy of those minutes. Are there any comments? Suggested changes? If not, I would like a motion, please. [No response.]

Unknown: So, moved.

Mr. Crocker: Dan. I make a motion.

Chairman Bernardo: Dan made that motion.
Is there a second?

Mr. Howard: I second it.

Chairman Bernardo: Is that Jim Peduto?

Mr. Howard: Wayne.

Chairman Bernardo: I'm sorry, Wayne. I
can't see your face. Wayne Howard seconded. All in
favor, say I.

Unknown: [I -- in unison.]

Chairman Bernardo: Any opposed? [No
response.] Okay, the minutes are approved.

Chairman Bernardo: Public Comment section.
Certainly, if anybody wishes to speak on any matter
concerning The Agency, feel free to speak now. [No
response.]

Chairman Bernardo: Okay, moving on.
Executive Director's Report. Stacey, would you take
us through some updates, please?

Ms. Duncan: Sure, not a lot to get into, I
mean I could spend days getting into what we are
working on, but I won't do that. I just want to take

a moment to first thank the Board for all of your support. You know, certainly, we are in a time that we were not expected to be in, and between The Agency Board and my Chamber Board, we are just appreciative of your support on all of these decisions we are making, at, kind of, a pretty rapid clip, to assist businesses and to form groups and to participate in that. Much appreciated, and as well, I want, for the record, just to acknowledge the incredible work done by The Agency staff. We have been on remote work for -- since March 19th. I know it comes with benefits and challenges alike, you know, with technology, but everybody has been hands-on, and staying on top of every detail, and I am very grateful to them for that, and I wanted to acknowledge that with the Board. Just a few things -- Tom, when we get into loan activity reports, Tom is going to give us an update on the Broome County Emergency Loan Fund that we've created in response to this -- a little more in-depth, but I just wanted to do a short report. One of the first things we did was recognizing that [inaudible] our existing loan clients could have some immediate cash-flow concerns, we reached out to -- again, I appreciate the Board's support on this -- we reached

out to all of our existing loan portfolios and offered them a 60-day deferment, to keep some money in their pocket. Out of about the roughly -- and I just sent you a list via email, prior to our Governance Committee, just for informational purposes -- of the roughly 21 or 22 loans on file -- I think the majority -- all but four -- one did not reply at all, and we are still following up with them -- four actually said they are doing okay and wanted to continue payments, as is, which we thought was, you know, certainly a sign of their hopeful strength and continuation -- and the majority have taken us up on this 60-day deferment and have been incredibly appreciative. We had one that said -- you know, I was just trying to get the nerve to call you and say we may have some trouble. So, we were very thankful that was one [inaudible] during this time -- and -- Joe, do I hear you?

Mr. Mirabito: Yes. Thanks.

Ms. Duncan: Alright. We have Joe on audio now -- and then, secondly, I just wanted to give a review of the activity of the Leadership Alliance Response, Recovery and Resiliency Task Force again -- you know -- again, when we formed this Leadership

Alliance and were talking about our economic blueprint in the beginning of this year, I don't think -- you know -- any of us had this on their bullet list for some potential global pandemic, but, you know, it is a true demonstration of how we are stronger together. We have done a few things; we have created the Business Resilience Tool Kit -- that was after a quick survey of Chamber members -- who said they wanted one-stop for information. We have been sharing that within the region with our partners. We have had a few requests for that document and making that available to help other -- our partners in the region -- and then we formed the Task Force, which has two components. The first is the Cabinet, if you will, and my thanks to John for participating on behalf of the Board and Brian participating in his capacity, both at BU, at Binghamton University, and as a Board member, as well. That group is mostly consisting of our federal, state and local elected officials, as well as some key community partners. We had our first meeting -- call -- really just high-level discussions, on what the most immediate needs are at this point in time. The second component of this group are three work groups: Tourism and Quality of Life; Workforce,

Retention and Attraction; and then, Business and Economic Continuity. Their work groups are all starting this week. They are being led by Judi Hess, Amy Shaw and Brendan O'Bryan. The Business and Economic Continuity one, I think, could be even divvied up into two parts -- more on the operational side and more a financial side -- so, but they are up and running. I will continue to bring reports to this Board on activities and tell you the two that have met thus far -- we have had some really interesting conversations and, you know, I look forward to bringing that information back to the Board. So, I don't know if anyone has any questions on those items specifically; we've been certainly busy, but you know, it has been business, as usual.

Chairman Bernardo: Does anybody have --

Mr. Rose: Hey, Stacey. [Pause.] Go ahead.

Chairman Bernardo: Go ahead. I'm sorry.

Mr. Rose: I had a question on the loan deferrals. Are we adding time to the backend of the loan period, or is it our expectation that following

the deferment, that all of the deferred charges, in addition to regular payments, become due?

Ms. Duncan: We are adding that time, but they are accruing interest during that period, during these 60 days, but it will be added onto the end of their term. [Inaudible.] We acknowledge that with them, before they said, you know, kind of, agreed to it. Since we came to them with that, we did make sure they were aware.

Mr. Rose: Thank you.

Chairman Bernardo: Any other questions for Stacey, relative to The Agency activities? I want to comment: I commend Stacey and the team, both Agency team, as well as the Chamber team, for not only working together, but for pulling this together, so quickly. I participated last week and was quite impressed with the number of people that were on the call and the interest level that was there and the organization that was put in place. So, my hat's off to all of you. Appreciate it very much.

Chairman Bernardo: Internal Financial Report. Questions or comments for Tom or Theresa?

Mr. Gray: Excuse me, John. Stacey, I don't know if you want me to just give a brief update on the response to the revised loan applications that we are marketing?

Ms. Duncan: Yes. We have that on loan activity. I don't know -- were there questions on Internal Financials -- there wasn't much -- nothing out of the ordinary in the last month, from a financial point of view.

Chairman Bernardo: Okay, then. Moving on to loan activity. Tom. [Inaudible.] You're on.

Mr. Gray: Well, you know, as Stacey and you all know, what we did with our existing loan funds was to relax our requirements, both in terms of applying, we relaxed our underwriting requirements, and hopefully, we improved our turnaround time. We currently have 40 inquiries for our funds; seven of whom have officially requested an application. We initially referred all 40 to the SBA, for either the Payroll Protection Plan, or the Emergency Loan, primarily because there is some grant money available on both of those and we wanted to make sure all of the

folks that reached out to us took advantage of either one, or both of those programs to take advantage of the [inaudible]. We circled back with those who reached out to us in the first ten days and my guess is that, assuming that the SBA isn't able to turn their requests around quickly, that we are going to be getting more official requests for our funds in the next week or two.

Chairman Bernardo: Any difficulty in processing those, Tom, or are you delaying it in light of maybe additional money available from the feds [sic]?

Mr. Gray: Well, as far as the processing, I haven't received any. So, you know, we had folks and businesses that have asked for our application. We've sent them the application and instructions on what I need to begin that process. Are they going to follow-up, John? I don't know. What we are seeing is primarily restaurants and [inaudible] businesses and those are the ones that are probably hit in terms of the foot-traffic-kind-of business, but my guess is I am going to be getting more requests. Are they going to follow-up? Only time will tell, I think.

Chairman Bernardo: Thank you.

Mr. Stevens: Tom, I haven't looked, but is the application on our website? Can they go to our website and get the application?

Mr. Gray: Yes.

Mr. Stevens: Thank you.

Mr. Gray: We prefer, though, John, that they don't just fill it out and send it in. I like to have a preliminary conversation with them -- and Natalie has been a big help, taking half of the requests, as well. I want to get some background information. You know, frankly, I have had some requests from folks that we are not able to help, due to either their financial situation or other factors. So, we like to have that conversation up-front, before we let them submit all of the information and then be disappointed at the end.

Mr. Stevens: I understand that. I'm just thinking: in turnaround time, it is better, you know, they talk to you, then they go to our website, print the application and get it back.

Mr. Gray: Yes.

Chairman Bernardo: Any questions for Tom?

[No response.]

Chairman Bernardo: Tom, thank you very much.

Chairman Bernardo: New business. A Resolution Authorizing a Lease/Leaseback Transaction to Facilitate the Financing of the Acquisition, Renovation and Equipping of 159 Washington Street, City of Binghamton, Broome County, New York and Appointing 159 Washington Holding, LLC (The "Company"), as Agent of The Agency, for the Purpose of Financing the Acquisition, Renovation and Equipping of the Property and Authorizing the Execution and Delivery of Certain Documents with Respect Thereto, Including a Payment in Lieu of Tax Agreement and a Sales Tax Exemption, in an Amount not to Exceed \$50,000.00. Stacey.

Ms. Duncan: Yes. For consideration by the Board today is the approval and acceptance for 159 Washington Holding, LLC, developer Josh Bishop, who is now owner of the former Ellis Brother's furniture business in the City of Binghamton. Josh plans to take that four-story building and renovate it into

mixed-use operations, including 27 one- and 2-bedroom apartments, market-rate, geared toward young professionals, working in downtown. He is seeking [inaudible] first floor commercial tenants. Building is historic; so, he will pursue incentives related to historic preservation and will ensure that all renovation is in compliance with CAUD; that's the Commission on Architecture and Urban Design and state historic preservation guidelines. Your Project Review Form included in your packet shows that over three years, about three full-time jobs -- again, with housing, not a large job creator, but certainly, ancillary benefits connected to downtown revitalization. He is seeking a Sales Tax Exemption in the amount of \$50,000.00, and a PILOT -- a 10-year standard PILOT, with a total benefit of about \$268,800.00. Again, 10-year standard PILOT does not require municipal approval; the city is aware of this project and is supportive. As well, the 10-year standard PILOT comes with a three-year freeze on tax levels, which are just a little over \$11,000.00 and then ramping up to full taxes by year 11. You have a Cost Benefit in your packet, as well as [inaudible] if you have any questions on this project.

Chairman Bernardo: Questions for Stacey?

[No response.] Okay, did this go through Governance?

[Mr. Bucci is in attendance, unannounced.]

Mr. Bucci: It did, and the Governance Committee moves it forward in the form of a motion.

Chairman Bernardo: Is there a second?

Mr. Crocker: I'll second.

Mr. Stevens: This is John. I'll second.

Ms. Hornbeck: I didn't hear that; it muted on me. Could I hear that again?

Mr. Stevens: This is John, and I will second it.

Chairman Bernardo: That's John Stevens, Carrie.

Ms. Hornbeck: Who was first. I'm sorry.

Mr. Stevens: John Stevens.

Ms. Hornbeck: Okay, who was second?

[Inaudible.] Dan Crocker?

Chairman Bernardo: A motion was made --

Ms. Hornbeck: I got it, now.

Chairman Bernardo: Thank you.

Ms. Hornbeck: Yep.

Chairman Bernardo: All in favor, say I.

Unknown: [I -- in unison.]

Chairman Bernardo: Any opposed? [No response.]

Ms. Sacco: I am abstaining. This is Sacco, abstention.

Chairman Bernardo: Thank you, Cheryl.
Motion passed.

Chairman Bernardo: Okay. Resolution
Accepting an Application from Simulation and Control
Technologies, Inc. and Authorizing a Sales and Use Tax
Exemption in an Amount not to Exceed \$40,880.00,
Consistent with the Policies of The Agency, in
Connection with the Renovation and Remodeling of the
Property and Building Located at 430 Airport Road,
Town of Union, Broome County, New York. Stacey.

Ms. Duncan: Yes. We have been working with
Frank Fuller and a gentleman by the name of Mitch
Gordon, his Business Development Manager, actually for

almost 2 years now. They have been looking for a new location in Broome County, and we were able to provide some loan financing to SCT. A neat company, in my opinion, has kind of flown under the radar for a long time -- as an outpost of Singer Link, many years ago, was formed when Singer Link started to reduce their presence here. Great company; they have contracts with Boeing, Airbus, you know, kind of carrying on that tradition of simulation here in the community. So, they were able to locate a new, and I think, much more appropriate building for their needs, in the Town of Union on Airport Road, which they have purchased and are planning to renovate to provide for their continued growth. So, they are seeking just a Sales Tax Exemption benefit from us. Total eligible cost would provide them a \$40,880.00 benefit. We were hoping to do a sort of an announcement, or a celebration of this project in the spring of this year, but obviously, things have changed; but we did reach out to them as a loan client, and thankful -- you know, fortunately, they informed us that they are still busy, as part of their contract is with the government and they have been able to stay afloat

during this time. So, if there is [sic] any questions; I am happy to entertain them.

Chairman Bernardo: Any questions for Stacey? [No response.] And, what does the Governance Committee have to say?

Mr. Bucci: The Governance Committee moves it forward in the form of a motion.

Chairman Bernardo: Thank you, Mayor. Is there a second?

Ms. Sacco: Sacco. Second.

Chairman Bernardo: Cheryl, second. All in favor; say, I.

Unknown: [I -- in unison.]

Chairman Bernardo: No opposed. Motion carried. Any old business we need to talk about? Seems like everything is new. I am looking for a motion to adjourn.

Mr. Stevens: I'll move.

Mr. Bucci: Motion, Rich Bucci.

Chairman Bernardo: Mayor Bucci motioned.
Is there a second?

Mr. Stevens: I'll second. John.

Chairman Bernardo: All in favor, say I.

Unknown: [I -- in unison.]

Chairman Bernardo: Opposed? [No response.]

We are adjourned.

[Adjourned at 12:24 p.m.]

Broome County IDA
Internal Financial Status Reports
April 30, 2020

**Broome County IDA
Financial Statements vs. Budget
Month Ended 4/30/20**

Month # -> 4

	2020 Approved Budget	Actual YTD thru 4/30/20	Budgeted YTD thru 4/30/20	Variance
<u>INCOME:</u>				
A) Land/Building Income:				
265 Industrial Park Drive	\$ 181,667	\$ -	\$ 60,556	\$ (60,556)
ADEC Mortgage	58,838	14,709	19,613	(4,903)
Airport Corporate Loan Hangar Lease	50,000	17,327	16,667	660
FIVE South College Drive Tenant Leases	87,600	33,333	29,200	4,133
Miscellaneous Income	10,000	24,250	3,333	20,917
Solar City	5,000	-	1,667	(1,667)
Save Around Parkway, LLC	21,587	-	7,196	(7,196)
Subtotal	414,691	89,620	138,230	(48,611)
B) BCIDA Fees:				
IRB/Sale Leasback Fees	615,000	262,100	205,000	57,100
Loan Fund Administration	35,000	1,816	11,667	(9,850)
Subtotal	650,000	263,916	216,667	47,250
C) Other Income:				
Bank Interest	90,000	53,041	30,000	23,041
TOTAL INCOME	\$ 1,154,691	\$ 406,577	\$ 384,897	\$ 21,680
<u>EXPENSES:</u>				
A) Administration:				
Salaries	\$ 410,000	\$ 141,712	\$ 136,667	\$ (5,046)
Benefits	189,000	62,875	63,000	125
Professional Service Contracts	50,000	16,744	16,667	(77)
Payroll Administration	2,000	1,041	667	(375)
Investment Management	18,000	8,902	6,000	(2,902)
Subtotal	669,000	231,275	223,000	(8,275)
B) Office Expense:				
Postage	2,000	648	667	19
Telephone/Internet Service	2,000	2,098	667	(1,432)
Equipment & Service/Repair Contracts	15,000	4,262	5,000	738
Supplies	7,000	2,255	2,333	78
Travel/Transportation	16,000	4,326	5,333	1,008
Meetings	17,000	3,885	5,667	1,782
Training/Professional Development	7,000	4,157	2,333	(1,823)
Membership/Dues/Subscriptions	7,000	3,716	2,333	(1,383)
Audit	15,000	7,920	5,000	(2,920)
Legal	70,000	26,120	23,333	(2,787)
Insurance (Agency, Director & Officers)	15,000	16,013	5,000	(11,013)
Contingency	5,000	1,303	1,667	364
Subtotal	178,000	76,703	59,333	(17,370)
C) Business Development:				
Advertising	40,000	15,488	13,333	(2,154)
Printing & Publishing	15,000	6,520	5,000	(1,520)
Public Relations Contract	40,000	20,257	13,333	(6,924)
Subtotal	95,000	42,265	31,667	(10,598)

Broome County IDA
Financial Statements vs. Budget
Month Ended 4/30/20

Month # -> 4

	<u>2020 Approved Budget</u>	<u>Actual YTD thru 4/30/20</u>	<u>Budgeted YTD thru 4/30/20</u>	<u>Variance</u>
D) FIVE South College Drive Expenses	87,600	28,864	29,200	336
E) Building/Property Maintenance:				
Broome Corporate Park				
Maintenance - Mowing/Snowplowing	5,000	-	1,667	1,667
Deposit Community Center				
Maintenance - Mowing/Snowplowing/Utilities	12,000	-	4,000	4,000
600 Main Street				
Maintenance - Mowing/Snowplowing	14,000	1,775	4,667	2,892
Subtotal	31,000	1,775	10,333	8,558
TOTAL EXPENSES	\$ 1,060,600	\$ 380,882	\$ 353,533	\$ (27,349)
OPERATING INCOME	\$ 94,091	\$ 25,695	\$ 31,364	\$ 49,028

Broome County IDA
Summary of Bank Deposits and Investments

	Account	Month End Balance	Statement Date	Rate
Cash & Bank Deposits				
	Petty Cash	100.00	4/30/2020	
	NBT BCIDA Checking	104,591.33	4/30/2020	0.00%
	NBT BCIDA Money Market	633,690.56	4/30/2020	0.58%
	Total Cash & Bank Deposits	<u>738,381.89</u>		
Portfolio Investment Accounts				
	Cash & Equivalents	-	4/30/2020	
	NBT Transition Account	639,225.36	4/30/2020	0.30%
	CDs & Time Deposits		4/30/2020	
	US Treasury Bonds & Notes	6,734,669.15	4/30/2020	2.09%
	Total Portfolio Value	<u>7,373,894.51</u>		
	Total Cash, Bank Deposit Accounts & Investments	<u><u>8,112,276.40</u></u>		
Loan Funds				
STEED				
	Petty Cash	100.00	4/30/2020	
	NBT STEED Checking	1,288.40	4/30/2020	0.00%
	NBT STEED Money Market	187,197.41	4/30/2020	0.38%
	Total STEED	<u>188,585.81</u>		
BDF				
	NBT BDF Checking	567.96	4/30/2020	0.00%
	NBT BDF Money Market	381,393.94	4/30/2020	0.38%
	Total BDF	<u>381,961.90</u>		
	Total Loan Funds	<u><u>570,547.71</u></u>		
	Total Combined Funds	<u><u>8,682,824.11</u></u>		

Broome County IDA
Account Receivables

BCIDA Notes Receivable	Beginning Balance	Interest Rate	Total Principal Payments as of 4/30/2020	Total Interest Payments 4/30/2020	Outstanding Balance as of 4/30/2020	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%	184,190.33	85,481.82	525,809.67	Current	Mortgage Agreement Monthly Payment \$4,903.13
Broome County - Airport Hangar 9/1/2016	241,067.88	3.0%	60,795.88	8,510.84	180,272.00	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%	8,636.19	6,448.93	71,363.81	Current	Land Sale Monthly Payment \$443.68

Steed Loan Status

BORROWER	Opening Balance 1/1/2020	Current Balance 4/30/2020	Maturity Date	Status 4/30/2020
17 Kentucky Ave., LLC	206,040.89	202,813.12	1/1/2033	Current
20 Delaware Ave, LLC	107,895.88	102,903.64	1/1/2025	Current
AMT, Inc. #2	10,610.96	7,103.45	12/1/2020	Current
Better Offer Properties, LLC	37,130.08	35,095.42	3/1/2024	Current
Bryant Heating & Air	-	75,000.00	5/1/2026	Current
Concept Systems	60,703.61	55,569.11	10/1/2022	Current
F.A. Guernsey, Co., Inc.	118,273.72	118,273.72	6/1/2024	Bankruptcy
Fuller Holding Company, LLC	-	161,122.55	2/1/2035	Current
Matco Group (formerly VMR Corp)	7,449.73	3,206.22	7/1/2020	Current
Melissa Beers	-	25,000.00	5/1/2026	Current
Mountain Fresh Dairy	92,416.06	92,416.06	12/1/2021	Litigation
MS Machining	16,555.60	14,999.71	7/1/2022	Current
Prepared Power	57,596.35	57,067.48	10/1/2033	Current
Paulus Development Company, LLC	-	250,000.00	6/1/2030	Current
Roberts Stone	51,313.86	45,280.01	7/1/2022	30 Days
Sirgany Eyecare	84,660.96	75,847.48	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	27,901.80	4/1/2024	Current
Triple Cities Metal Finishing	3,099.25	-	1/1/2020	Current
TOTAL	953,711.08	1,420,053.38		

Business Development Fund Status

BORROWER	Opening Balance 1/1/2020	Current Balance 4/30/2020	Maturity Date	Status 4/30/2020
17 Kentucky Ave., LLC	93,730.64	92,358.46	10/1/2033	Current
20 Delaware Ave., LLC	105,198.85	100,331.43	1/1/2025	Current
265 Main St, LLC	143,551.40	142,225.07	9/1/2033	Current
ADEC Solutions USA, Inc.	119,423.93	114,503.89	9/1/2025	Current
Matco Group (formerly VMR Corp)	2,483.08	1,068.56	7/1/2020	Current
Mechanical Specialties Co.	13,244.56	11,999.86	7/1/2022	Current
Roberts Stone	33,519.79	29,578.35	7/1/2022	30 Days
SpecOp Tactical Center	74,856.90	74,856.90	5/1/2024	Litigation
250 Main Street, LLC	49,589.67	49,175.22	10/1/2029	Current
Total	635,598.82	616,097.74		

BR+E Loan Status

BORROWER	Opening Balance 1/1/2020	Current Balance 4/30/2020	Maturity Date	Status 4/30/2020
265 Main St, LLC	47,850.52	47,408.41	9/1/2033	Current
Grow Hemp, LLC	43,145.93	41,521.67	11/1/2025	Current
Prepared Power	47,996.97	47,556.24	10/1/2033	Current
250 Main Street, LLC	49,589.67	49,175.22	10/1/2029	Current
Total	188,583.09	185,661.54		

Loan Delinquency Status

STEED

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

Bankruptcy
Litigation
30 Days
Litigation

BDF

Roberts Stone
SpecOp Tactical

30 Days
Litigation

**BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY
LOAN FUNDS ACTIVITY AS OF
April 30, 2020**

STEED ACCOUNT BALANCE: \$ 188,485.81

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

LOAN COMMITMENTS

Commitment Date Expiration Date

Total STEED Loans Commitments \$ -

Available to Lend \$ 366,205.41

BDF ACCOUNT BALANCE: \$ 381,961.90

LOAN COMMITMENTS

Commitment Date Expiration Date

\$ -

Total BDF Loan Commitments \$ -

Available to Lend \$ 381,961.90

BR+E \$ 111,416.91

LOAN COMMITMENTS

Commitment Date Expiration Date

Total BRE Loan Commitments \$ -

Available to Lend \$ 111,416.91

BCIDA BOARD OF DIRECTORS

AGENDA ITEM #3: A \$75,000 loan request from Bryant Heating & Air Conditioning, Inc. from the STEED Loan Fund Program to assist it with working capital for use at their facility at 528 Old Front Street, Binghamton, NY.

INTRODUCTION

Mr. Gerald Sabato (50.0% owner of Bryant Heating & Air-Conditioning, Inc.) and his wife Nan (50% owner) have applied for \$75,000 in financing to assist them with operating expenses resulting from business interruption caused by the Covid virus. Uses and sources are as follows:

USES OF PROJECT FUNDS

Working Capital	\$	148,000	(100.0%)
TOTAL PROJECT COST	\$	148,000	(100.0%)

SOURCES OF PROJECT FUNDS

BCIDA STEED	\$	75,000	(50.6%)
SBA PPP	\$	48,000	(32.4%)
SBA EIDL	\$	25,000	(17.0%)
TOTAL PROJECT COST	\$	148,000	(100.0%)

COMPANY PROFILE

Bryant Heating & Air Conditioning Inc. has been serving the Southern Tier since 1908 and has been family owned and operated by the Sabato family for the last 25 years. Business segments include sales, service, maintenance, and installation of all makes and brands, residential as well as commercial. The company is the only Bryant Factory Authorized dealer within a 50-mile radius, proudly backing the Bryant brand by offering high quality products and factory authorized parts to customers.

Being a factory authorized dealer also means that Bryant's technicians have some of the highest certification standards set in the country and are continually being trained to stay abreast of the latest trends. One of most recognized certifications in the industry is NATE. The North American Technician Excellence is an independent, third party organization that develops and promotes excellence in the installation and service of heating, ventilation, air conditioning, and refrigeration equipment by recognizing high-quality industry technicians through voluntary testing and certification. Bryant's technicians have passed the rigorous testing necessary to qualify as NATE Certified Technicians.

To stay competitive with its competition the company is constantly looking for new ways to stand out above the rest. One way this has been done is by implementing technology into the field. This offers a turn-key solution when it comes to logistics, up front pricing with a parts database, detailed customer history and mobile payment system to name a few. The company also offers a wide range and variety of high efficiency products for every situation. Whether it is Bryant branded or from another manufacturer like Mitsubishi Electric the company offers competitive pricing and gives customers the value they expect due to internal efficiencies in place.

The company is currently requesting an emergency loan to ensure that it can continue to operate its business in a timely manner and keep pace with the demands of its customers after being negatively impacted by the COVID-19 pandemic.

JOB CREATION

The total current employment for Bryant Heating & Air Conditioning, Inc. is 7. All full time employees will be retained with the financing requested.

ENVIRONMENTAL IMPACT

The applicant believes the project will not have a negative impact on the environment.

CASH AVAILABLE TO SUPPORT EXISTING AND NEW DEBT SERVICE

	FY19
Interest Expense	\$ 2,000
Depreciation Expense	\$ 23,000
Net Profit	<u>\$ 10,000</u>
Total Cash Available for Debt Service	\$ 35,000

DEBT SERVICE REQUIREMENTS OF THE PROPOSAL

New BCIDA STEED Annual Debt Service Payments	<u>\$ 15,972</u>
TOTAL ANNUAL DEBT SERVICE PAYMENTS	\$ 15,972

RECOMMENDATION

Bryant Heating & Air Conditioning has been owned and operated by Mr. Gerald Sabato since 1993. The company offers sales, service, maintenance and installation of HVAC systems for both residential and commercial customers. The business had leased a facility at 175 West Service Rd., Binghamton, NY since 2008 but relocated in 2017 because the owner of the property required the space for his own business expansion. Rather than simply leasing another facility Mr. Sabato decided to make a permanent investment in the community, with BCIDA financing assistance, by purchasing the property and building located at 528 Front Street, Binghamton, NY. He and his wife Nan have an excellent repayment history with the BCIDA. In addition, a recent credit report on Gerald and Nan Sabato indicated a satisfactory credit history: Fair Isaac Score of 747 and 819 respectively. More importantly, with the new emergency financing request, the current 7 full time positions will be retained within three years. Based on this and the information in the previous sections, the ALC and I would recommend a STEED financing commitment under the following terms and conditions.

Borrower: Bryant Heating & Air Conditioning, Inc.

Loan Amount and Fund: \$75,000 from the STEED Revolving Loan Fund

Term of the Loan: 6 years with year one principal and interest waived

Loan Interest Rate: 75% of the prime rate at the time of closing

Collateral and Security for the Loan: A second security position on all business assets including but not limited to all accounts receivable, machinery and equipment, inventory and intangibles subordinate to a first position of M&T Bank. The loan would also have the corporate guarantee of Sabato Enterprises LLC., in addition to the personal guarantees of Gerald Sabato and Nan Sabato.

BCIDA BOARD OF DIRECTORS

AGENDA ITEM #4: A \$250,000 STEED Loan Fund request from Paulus Development, LLC to assist it with working capital for use at its facility at 59 Lester Ave., Johnson City, New York.

INTRODUCTION

Paulus Development, LLC is a real estate development firm that has recently acquired the property and building at 59 Lester Avenue in Johnson City New York. The development and restoration of this site has been sought by the public and private sectors in Broome County for many years. Paulus Development expects to rehabilitate the facility into market rate apartments as well as high end commercial space. The company has a proven track record of re-purposing historic structures and returning them to the tax rolls. Project uses and sources are as follows.

USE OF PROJECT FUNDS

Working capital	\$	500,000	(100.0%)
TOTAL PROJECT COST	\$	500,000	(100.0%)

SOURCES OF PROJECT FUNDS

BIDA STEED	\$	250,000	(50.0%)
Applicant Cash Equity	\$	250,000	(50.0%)
TOTAL PROJECT COST	\$	500,000	(100.0%)

COMPANY PROFILE

Paulus Development (the Company) is a Syracuse based real estate development firm that develops and manages authentic urban assets in Onondaga and Broome Counties. Since the Company's founding in 2015 the Company has invested approximately 50 million dollars across two transformational historic rehabilitation projects in Binghamton and Syracuse. Most recently, the Company completed its \$25 million historic rehabilitation of the former Ansco Camera Factory in Binghamton, New York. The Ansco Camera Factory is located just outside of downtown Binghamton, in the City of Binghamton's First Ward and is now home to 100 market rate lofts of various sizes and 35,000 square feet of commercial space for local businesses. The lofts are providing a much-needed market rate housing in the area. Additionally, the state-of-the-art commercial space at the Ansco Camera Factory is home to businesses committed to the area and participating in the growth of an advanced manufacturing economy in Broome County and the Southern Tier.

The Company recently acquired a transformational historic project in Broome County, the Endicott-Johnson Shoe Factory (commonly known as the Victory Building) located at 59 Lester Avenue, Johnson City, New York. In order to complete the proposed development, the Company requests funding for working capital to be used for operational requirements as well as the expansion of the Company's regional operations and capabilities in Broome County.

JOB CREATION

Paulus Development currently has 3 full time employees in Broome County. If the project proceeds as planned 3 new full-time employees will be created within three years.

ENVIRONMENTAL IMPACT

The applicant believes that the project will not have a negative impact on the environment.

CASH AVAILABLE TO SUPPORT EXISTING AND NEW DEBT SERVICE

		FY 19
Interest Expense	\$	12,000
Projected Depreciation Expense	\$	00,000
Projected Net Income	\$	93,000
Total Cash Available to Support Debt Service	\$	105,000

DEBT SERVICE REQUIREMENTS OF THE PROPOSAL

Existing Related Party Annual Debt Service Payments	\$	14,928
Existing American Express Loans Annual Debt Service Payments	\$	23,772
Existing Citizen Bank Loans Annual Debt Service Payments	\$	16,812
New BCIDA Annual Debt Service Payments	\$	28,272
TOTAL ANNUAL DEBT SERVICE PAYMENTS	\$	83,784

RECOMMENDATION

Paulus Development, LLC was established in 2015 to develop and manage urban assets in Onondaga and Broome Counties in New York State. To date the company has invested nearly \$50 million in projects in Syracuse as well as Binghamton. The project in Binghamton involved renovating the former Ansco Camera Factory on Emma Street into 100 market rate lofts and over 35,000 ft.² of commercial space for local business growth. The company has begun its third project in Johnson City, New York by acquiring the former Victory Building located at 59 Lester Avenue and requires financing to cover operational costs including the hiring of staff. Paulus Development, LLC is owned by Paulus Capital, LLC (100%); Paulus Capital, LLC is owned by Matthew Paulus (100%). A recent credit report on Matthew Paulus indicated a satisfactory credit history; Fair Isaac Score of 774. Also of importance, if the financing request is approved 3 current full-time positions will be retained and 3 new full-time positions will be created within three years. Based on this and the information in the previous sections the ALC and I would recommend a STEED financing commitment under the following terms and conditions.

Borrower: Paulus Development, LLC

Loan Amounts and Fund: \$250,000 from the STEED Loan Fund Program

Term of the Loan: 10 years

Loan Interest Rate: Fixed at 75% of the prime interest rate at the time of closing

Collateral and Security for the Loans: The loan will be secured by a first security position on all business assets including but not limited to all accounts receivable, machinery and equipment, inventory and intangibles. The loan will also have the corporate guarantee of Paulus Capital, LLC as well as the unlimited personal guarantee of Matthew Paulus. Also, the BCIDA will be named as an assignee on a life insurance policy on the life of Matthew Paulus in the amount of the loan.

Contingencies: Prior to the advance of any STEED funds, proof must be received that the applicant has made a \$250,000 cash equity investment in the project.

BCIDA OF DIRECTORS

AGENDA ITEM #5: A \$25,000 loan request from Melissa Beers from the STEED Loan Fund Program to assist her business with permanent working capital for use at her facility at 11 South Broad Street in Norwich, NY.

INTRODUCTION

Ms. Melissa Beers, a sole proprietor, dba Teasers Hair and Nail Studio, has applied for \$25,000 in financing to assist her with operating expenses that include but are not limited to mortgage payments as well as insurance and utility costs resulting from business interruption caused by the Covid pandemic. Uses and sources are as follows:

USES OF PROJECT FUNDS

Working Capital	\$	73,000	(100.0%)
TOTAL PROJECT COST	\$	73,000	(100.0%)

SOURCES OF PROJECT FUNDS

BCIDA STEED	\$	25,000	(34.2%)
SBA PPP	\$	23,000	(31.6%)
SBA EIDL	\$	25,000	(34.2%)
TOTAL PROJECT COST	\$	73,000	(100.0%)

COMPANY PROFILE

Teasers Hair and Nail Studio, owned by Ms. Melissa Beers, has been in business for 12 years. After operating her business at the same location at 11 South Broad Street in Norwich, New York for 10 years she purchased the property in 2019. Although she offers traditional salon services such as haircutting, styling and coloring specialized services not found at other area salons are also available. Her business, like others, was forced to shut down in March 2020 due to the COVID-19 virus. Her sales, averaging over \$9000 per month, dependent on foot traffic, evaporated. She is requesting an emergency loan to cover fixed costs, operating expenses and payroll until the economy reopens.

JOB CREATION

The total current employment for Teasers Hair and Nail Studio is 1. The full-time employee will be retained if the financing requested is approved.

ENVIRONMENTAL IMPACT

The applicant believes the project will not have a negative impact on the environment.

CASH AVAILABLE TO SUPPORT EXISTING AND NEW DEBT SERVICE

	FY19
Interest Expense	\$ 0,000
Depreciation Expense	\$ 6,000
Net Profit	\$ 51,000
Total Cash Available for Debt Service	\$ 57,000

DEBT SERVICE REQUIREMENTS OF THE PROPOSAL

Existing Community Bank Annual Debt Service Payments.	\$ 15,660
Existing NBT Bank Annual Debt Service Payments	\$ 6,816
Existing Visions Annual Debt Service Payments.	\$ 13,220
New BCIDA STEED Annual Debt Service Payments	\$ 5,328
TOTAL ANNUAL DEBT SERVICE PAYMENTS	\$ 41,004

RECOMMENDATION

Ms. Melissa Beers established Teasers Hair and Nail Studio in May 2008. Her business is located at 11 South Broad Street in Norwich, New York, a property she purchased in 2019. The business offers hair cutting, styling, and coloring but also more specialized services such as Deva Cut, Balayage Color, Hair Extensions, Spa Pedicures and Waxing services. Although a sole proprietor, Miss Beers provides employment to three professional hairstylists and one nail technician by subcontracting booth spaces in her facility. Since Ms. Beers' sales rely primarily on foot traffic and return customers her business has been especially impacted by the shut down resulting from the COVID-19 virus. As a result of this business interruption she is requesting an emergency loan to cover operating costs until the pandemic is over. A recent credit report on Ms. Beers indicated a satisfactory credit history; Fair Isaac Score of 749. More importantly, with the new emergency financing request, the current 1 full time position will be retained within three years

and her business will be able to reopen. Based on this and the information in the previous sections, the ALC and I would recommend a STEED financing commitment under the following terms and conditions.

Borrower: Melissa Beers

Loan Amount and Fund: \$25,000 from the STEED Revolving Loan Fund

Term of the Loan: 6 years with year one principal and interest waived

Loan Interest Rate: 75% of the prime rate at the time of closing

Collateral and Security for the Loan: A first security position on all business assets including but not limited to all accounts receivable, machinery and equipment, inventory and intangibles.

THE AGENCY

BROOME COUNTY IDA / LDC

SMALL BUSINESS INCENTIVE PROGRAM APPLICATION

The Small Business Incentive Program can provide eligible applicants any of the following: an eight percent (8%) NYS sales tax and one percent (1%) mortgage recording tax exemption (if applicable).

Applicants seeking assistance must complete this application and provide additional documentation if required. A **non-refundable** application fee of \$150.00 must be included with this application. Make check payable to The Agency Broome County IDA.

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. As per NYS 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.

Please answer all questions. Use "None" or "Not Applicable" where necessary.

APPLICANT

Name GJS Property Group, LLC
Address 9 Carolyn Ct
City/State/Zip Endwell, NY 13760
Tax ID No. 83-4322811
Contact Name George Slavik
Title Owner
Telephone (607) 760-8441
E-Mail gjsproperty8@gmail.com

Owners of 20% or more of Applicant Company

Name	%	Corporate Title
<u>George Slavik</u>	<u>100</u>	<u>Owner</u>
<u></u>	<u></u>	<u></u>
<u></u>	<u></u>	<u></u>
<u></u>	<u></u>	<u></u>

Benefits Requested (Check all that apply)

- ☒ Sales Tax Exemption
☒ Mortgage Recording Tax Exemption

Description of project (check all that apply)

- ☐ New Construction
☒ Existing Facility
 ☒ Acquisition
 ☒ Expansion
 ☒ Renovation/Modernization
☐ Acquisition of machinery/equipment
☐ Other (specify) _____

GENERAL DESCRIPTION OF THE PROJECT

(Attached additional sheets as necessary)

Replace cold storage buildings in rear of property.
Fix drainage issues in parking lot. Mill & replace parking lot.
Fence/Gate Repairs.
Paint exterior of building.
Interior fit up of office spaces.
Energy efficient upgrades.
Exterior visual upgrades.

PROJECT TIMELINE

5/31/20

Start Date

5/31/21

End Date

85 Main St Johnson City, NY 13790

Project Address

Contractor(s) *please refer to required Local Labor Policy

State Environmental Quality Review (SEQR) Act Compliance

The Agency, in granting assistance to the Applicant, is required to comply with the New York State Environmental Quality Review Act (SEQR). This is applicable to projects that require the state or local municipality to issue a discretionary permit, license or other type of Approval for that project.

Does the proposed project require discretionary permit, license or other type of approval by the state or local municipality?

☒ YES – Include a copy of any SEQR or other documents related to this project including Environmental Assessment Form, Final Determination, Local Municipality Negative Declaration.

☐ NO

LOCAL LABOR POLICY

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

APPLICANT PROJECT COSTS

- A. Estimate the costs necessary for the construction, acquisition, rehabilitation, improvement and/or equipping of the project by the APPLICANT.

Building Construction or Renovation

- a. MATERIALS a. \$ 475,000
b. LABOR b. \$ 225,000

Site Work

- c. MATERIALS c. \$ 75,000
d. LABOR d. \$ 125,000
e. Non-Manufacturing Equipment e. \$ 0
f. Furniture and Fixtures f. \$ 200,000
g. LAND and/or BUILDING Purchase g. \$ 0
h. Soft Costs (Legal, Architect, Engineering) h. \$ 10,000
Other (specify) i. _____ i. \$ _____
j. _____ j. \$ _____
k. _____ k. \$ _____

TOTAL PROJECT COSTS \$ 1,110,000

- B. Sources of Funds for Project Costs:

- a. Bank Financing a. \$ 0
b. Public Sources b. \$ 0

Identify each state and federal grant/credit

_____ \$ _____
\$ _____
\$ _____
\$ _____

c. Equity \$ 1,110,000

TOTAL SOURCES \$ 1,110,000

- C. Has the applicant made any arrangements for the financing of this project?

☐ Yes ☒ No

If so, please specify bank, underwriter, etc.

Possible financing at a later date

VALUE OF INCENTIVES

A. Sales Tax Exemption Benefit

Estimated value of goods that will be exempt from New York State and local sales tax (materials, non-manufacturing equipment, furniture and fixtures - line a,c,e,f from Project Costs) \$ 750,000.00

Estimated value of New York State and local sales tax exemption (8% of value of eligible goods) \$ 60,000.00

Estimated duration of sales tax exemption 12 mos
(The sales tax letter shall be valid for a period of twelve (12) months.)

B. Mortgage Recording Tax Exemption Benefit

Estimated value of Mortgage Recording Tax Exemption (1% of value of mortgage) \$ 0.00

TOTAL SALES AND MORTGAGE RECORDING TAX EXEMPTION BENEFIT \$ 60,000.00

PROJECTED EMPLOYMENT

Will this investment result in the creation of new jobs? If so, how many? 5.00

Current number of full time employees: 9.00

Estimated annual salary range of jobs to be created:

Annual Salary range from: 40,000 to 65,000

Estimated annual salary range of current jobs:

Annual Salary range from: 40,000 to 65,000 +

****Upon approval of this application, the business agrees to provide FTE and all construction job information, along with its NYS 45 in all years that a sales and/or mortgage recording tax benefit is claimed.***

A. Application Fee:

A non-refundable application fee of one hundred fifty dollars shall be charged to each applicant and accompany the completed application.

\$ 150.00

B. Administrative Fee:

A non-refundable fee of **\$500.00** is due and payable prior to the issuance of a Sales Tax Letter or a Mortgage Tax Exemption Form if the benefit is **under \$100,000**. A non-refundable fee of **1% of the total project cost** is due and payable prior to the issuance of a Sales Tax Letter or a Mortgage Tax Exemption Form if the benefit is **over \$100,000**.

\$ 500.00

TOTAL TAX EXEMPTION FEES

\$ 650.00

This Application, including without limitation, information regarding the amount of New York State and local sales and use tax exemption benefits, is true, accurate and complete.

The Agency reserves the right to terminate, modify, or recapture Agency benefits if :

- (i) *an applicant or its sub-agency (if any) authorized to make purchases for the benefit of the project is not entitled to the sales and use tax exemption benefits;*
 - (ii) *sales and use tax exemption benefits are in excess of the amounts authorized by the Agency to be taken by the applicant or its sub-agents;*
 - (iii) *sales and use tax exemption benefits are for property or services not authorized by the Agency as part of the project;*
 - (iv) *the applicant has made material, false, or misleading statements in its application for financial assistance;*
 - (v) *the applicant has committed a material violation of the terms and conditions of a Project Agreement.*
- (vi) *As of the date of the Application this project is in substantial compliance with all provisions of GML Article 18-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 COMPANY

GJS Property Group LLC, by: George Slavik

Signature _____ Owner _____ 4/13/20
Title _____ Date _____

Sworn to before me this

14th day of April, 20 20.
Mrs Kathy Dimmick
 (Notary Public)

Kathy Dimmick
Notary Public, State of New York
Qualified in Broome County
No. 414753C
My Comm. Expires Feb 27, 2022

THE AGENCY

BROOME COUNTY IDA / LDC

SMALL BUSINESS INCENTIVE PROGRAM APPLICATION

The Small Business Incentive Program can provide eligible applicants any of the following: an eight percent (8%) NYS sales tax and one percent (1%) mortgage recording tax exemption (if applicable).

Applicants seeking assistance must complete this application and provide additional documentation if required. A **non-refundable** application fee of \$150.00 must be included with this application. Make check payable to The Agency Broome County IDA.

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. As per NYS 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.

Please answer all questions. Use "None" or "Not Applicable" where necessary.

APPLICANT

Name Beer Tree Brew Works Inc.
Address 501 Reynolds Road
City/State/Zip Johnson City, NY 13790
Tax ID No. 81-3159575
Contact Name Brendan Harder
Title President
Telephone (607) 201-7739
E-Mail Brendan@beertreebrewco.com

Owners of 20% or more of Applicant Company

Name	%	Corporate Title
<u>Charles Rhoades</u>	<u>33.33</u>	<u>Treasure</u>
<u>Christopher Rhoades</u>	<u>33.33</u>	<u>Vice President</u>
<u>Brendan Harder</u>	<u>33.33</u>	<u>President</u>

Benefits Requested (Check all that apply)

- ☒ Sales Tax Exemption
☐ Mortgage Recording Tax Exemption

Description of project (check all that apply)

- ☐ New Construction
☒ Existing Facility
 ☐ Acquisition
 ☐ Expansion
 ☒ Renovation/Modernization
☐ Acquisition of machinery/equipment
☐ Other (specify) _____

GENERAL DESCRIPTION OF THE PROJECT

(Attached additional sheets as necessary)

Renovate approximately 23,000 sqft of the existing "sears" building to create a modern, vibrant microbrewery (for manufacturing beer) and taproom.

PROJECT TIMELINE

1/1/2020

Start Date

12/1/2020

End Date

501 Reynolds Rd Johnson City NY 13790

Project Address

Contractor(s) *please refer to required Local Labor Policy

State Environmental Quality Review (SEQR) Act Compliance

The Agency, in granting assistance to the Applicant, is required to comply with the New York State Environmental Quality Review Act (SEQR). This is applicable to projects that require the state or local municipality to issue a discretionary permit, license or other type of Approval for that project.

Does the proposed project require discretionary permit, license or other type of approval by the state or local municipality?

☒ YES – Include a copy of any SEQR or other documents related to this project including Environmental Assessment Form, Final Determination, Local Municipality Negative Declaration.

☐ NO

LOCAL LABOR POLICY

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

APPLICANT PROJECT COSTS

- A. Estimate the costs necessary for the construction, acquisition, rehabilitation, improvement and/or equipping of the project by the APPLICANT.

Building Construction or Renovation

- a. MATERIALS a. \$ 600,000
b. LABOR b. \$ 300,000

Site Work

- c. MATERIALS c. \$ _____
d. LABOR d. \$ _____
e. Non-Manufacturing Equipment e. \$ 500,000
f. Furniture and Fixtures f. \$ 100,000
g. LAND and/or BUILDING Purchase g. \$ _____
h. Soft Costs (Legal, Architect, Engineering) h. \$ 100,000
Other (specify) i. Brewing Equipment i. \$ 500,000
j. _____ j. \$ _____
k. _____ k. \$ _____

TOTAL PROJECT COSTS

\$ 2,100,000

- B. Sources of Funds for Project Costs:

- a. Bank Financing a. \$ 500,000
b. Public Sources b. \$ _____

Identify each state and federal grant/credit

Excelsior \$ 340,000

- c. Equity \$ 1,260,000

TOTAL SOURCES

\$ 2,100,000

- C. Has the applicant made any arrangements for the financing of this project?

☒ Yes ☐ No

If so, please specify bank, underwriter, etc.

M&T \$500,000 loan for brewing equipment

VALUE OF INCENTIVES

A. Sales Tax Exemption Benefit

Estimated value of goods that will be exempt from New York State and local sales tax (materials, non-manufacturing equipment, furniture and fixtures - line a,c,e,f from Project Costs) \$ 1,200,000

Estimated value of New York State and local sales tax exemption (8% of value of eligible goods) \$ 96,000

Estimated duration of sales tax exemption 12 Months
(The sales tax letter shall be valid for a period of twelve (12) months.)

B. Mortgage Recording Tax Exemption Benefit

Estimated value of Mortgage Recording Tax Exemption (1% of value of mortgage) \$ _____

TOTAL SALES AND MORTGAGE RECORDING TAX EXEMPTION BENEFIT \$ _____

PROJECTED EMPLOYMENT

Will this investment result in the creation of new jobs? If so, how many? 25.00

Current number of full time employees: 0.00

Estimated annual salary range of jobs to be created:

Annual Salary range from: 30,000 to 80,000

Estimated annual salary range of current jobs:

Annual Salary range from: 0 to 0

****Upon approval of this application, the business agrees to provide FTE and all construction job information, along with its NYS 45 in all years that a sales and/or mortgage recording tax benefit is claimed.***

APPLICATION & ADMINISTRATIVE FEES

A. Application Fee:

A non-refundable application fee of one hundred fifty dollars shall be charged to each applicant and accompany the completed application. \$ 150.00

B. Administrative Fee:

A non-refundable fee of **\$500.00** is due and payable prior to the issuance of a Sales Tax Letter or a Mortgage Tax Exemption Form if the benefit is **under \$100,000**. A non-refundable fee of **1% of the total project cost** is due and payable prior to the issuance of a Sales Tax Letter or a Mortgage Tax Exemption Form if the benefit is **over \$100,000**. \$ 500.00

TOTAL TAX EXEMPTION FEES \$ 650.00

This Application, including without limitation, information regarding the amount of New York State and local sales and use tax exemption benefits, is true, accurate and complete.

The Agency reserves the right to terminate, modify, or recapture Agency benefits if :

- (i) an applicant or its sub-agency (if any) authorized to make purchases for the benefit of the project is not entitled to the sales and use tax exemption benefits;*
- (ii) sales and use tax exemption benefits are in excess of the amounts authorized by the Agency to be taken by the applicant or its sub-agents;*
- (iii) sales and use tax exemption benefits are for property or services not authorized by the Agency as part of the project;*
- (iv) the applicant has made material, false, or misleading statements in its application for financial assistance;*
- (v) the applicant has committed a material violation of the terms and conditions of a Project Agreement.*
- (vi) As of the date of the Application this project is in substantial compliance with all provisions of GML Article 18-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 COMPANY

B. L. H. H. President 5/12/2020
Signature , Title Date

Sworn to before me this

12th day of May, 20 20.
Marina Katsacos
• (Notary Public)

AOM Investments, LLC
24 Sherman Street
Johnson City, NY 13790
USA: (347) 957-0464
Israel: (646) 715-6663
pkamath@aominvestments.com
www.aominvestments.com



The Agency
Broome County IDA
Attn.: Stacey Duncan, Executive Director
FIVE South College Drive, Suite 201
Binghamton, Ny 13905

April 16, 2020

Dear Ms. Duncan,

My name is Praveen Kamath, and I am the Managing Member of AOM Investments, LLC, which in turn is the Managing Member of AOM 128 Grand Avenue LLC ("AOM128"). AOM128 was granted a sales tax exemption as part and parcel of a PILOT it received to help construct a project located at 128 Grand Avenue, Johnson City, NY 13790 ("LOFTS@JC"). At the time of its ground-breaking ceremony in May 2019 and earlier, LOFTS@JC was heralded as a model private development project, meant to inspire other private developers like myself to invest in the rejuvenation of the Johnson City, a much needed and desired goal of Mayor Deemie, Broome County Executive Jason Garner, and of course The Agency.

I was recently informed that the sales tax exemption apparently expires on May 8, 2020. My full apologies for not being aware of this deadline, and the need to seek an extension if needed. In the case of LOFTS@JC, an extension is desperately needed for the following reasons:

- that the construction is not complete, and will not be complete by May 8, 2020 (nor was it scheduled to be completed since we only began in June 2019);
- the prospect of an extended completion date is exacerbated even more so now that Governor Cuomo has deemed LOFTS@JC a "non-essential" construction project, essentially putting it on "pause" indefinitely until further notice (other than completing one in-the-middle phase of the construction);
- the sales tax exemption is absolutely necessary for the Project to be completed, as it is already well over budget because of some unknown findings when we excavated the site (an old building that did not show up in our boring tests) and will be almost impossible to complete without an extension of the sales tax exemption for another year until May 8, 2021; and
- the construction freeze also required me to cancel all leases because of the uncertainty of when we will be allowed to complete construction, again severally and negatively affecting the financial viability of the project even once completed and thus making it a financial impossibility to bring in more equity at this point to cover any increase in budget costs.

I again apologize for my unawareness of the need to request an extension earlier, but respectfully beseech The Agency to grant my request for an extension of the sales tax exemption in order for me to be able to complete construction of LOFTS@JC, a mutually desirable goal of all those involved in the project. My commitment to the project and Johnson City is still at full force, notwithstanding the (hopeful) temporary setbacks, and I ask The Agency to help me realize our mutual goal of seeing LOFTS@JC up and running as planned.

Sincerely,

A handwritten signature in black ink, appearing to read 'Praveen Kamath', is written over a horizontal line.

Praveen Kamath
Managing Member
AOM Investments, LLC, on behalf of
AOM 128 Grand Avenue LLC



NATIONAL PIPE & PLASTICS, INC.

American-made products since 1970

Corporate Offices
3421 Old Vestal Road, Vestal, NY 13850
800.836.4350 607.729.9381 Fax: 607.729.6130
www.nationalpipe.com

May 1, 2020

Stacey M. Duncan
Executive Director
THE AGENCY
Broome County IDA/LDC
FIVE South College Drive, Suite 201
Binghamton, NY 13905

Dear Ms. Duncan:

National Pipe & Plastics, Inc. was approved for a sales tax exemption in the amount of \$418,000.00 for the period June 19, 2019 through June 19, 2020. Since our Sales Tax Exemption expires on June 19, 2020, we are requesting an extension of one year, to June 19, 2021, in order to complete the project.

Last year the demolition contractor was expected to coordinate the removal and disposition of hazardous material. The EPA required multiple permits to be acquired simultaneously. These permits had to be issued from the EPA, a hazardous waste disposal site, and a hazardous waste hauler. Our project was delayed throughout 2019 because the contractor was confused as to how to obtain all three permits in the proper sequence. We finally stepped in at the end of last summer to obtain all three permits and then complete the hazardous waste disposal. By the time the hazardous waste removal was certified as complete, the weather no longer permitted further construction.

Once we are permitted to engage construction in 2020 after weather and New York State on Pause delays have passed, we will proceed to complete the building project hopefully before the end of this year.

National Pipe & Plastics, Inc. appreciates your consideration and respectfully asks for approval of this request.

Sincerely,

David J. Culbertson

CEO

National Pipe & Plastics, Inc.