

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

Sworn to before me this

Bob Holt President 5/12/2020
Signature Title Date

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

MARINA KATSACOS
Notary Public, State of New York
No. 01KA6003101
Qualified in Chenango County
Commission Expires Aug. 7, 20 22