



## **BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY**

### **GOVERNANCE COMMITTEE MEETING**

October 21, 2020 – 11:30 a.m.  
The Agency Conference Room, 2<sup>nd</sup> Floor  
FIVE South College Drive, Suite 201  
Binghamton, NY 13901

### **AGENDA**

- |   |           |
|---|-----------|
| 1. Call to Order  | R. Bucci  |
| 2. Accept the September 16, 2020 Governance Committee Meeting Transcript  | R. Bucci  |
| 3. Public Comment   | R. Bucci  |
| 4. Review/Discussion/Recommendation to Accept an Application from Vestal Asphalt, Inc. and Authorizing a Sales and Use Tax Exemption in an Amount not to Exceed \$20,000.00, Consistent with the Policies of The Agency in Connection with the Renovation and Equipping of the Property and Building Located at 220 Stage Road, Town of Vestal, Broome County, New York   | S. Duncan |
| 5. Review/Discussion/Recommendation to Authorizing a Lease/Leaseback Transaction to Facilitate the Acquisition, Construction, Installation and Equipping of the Company's Fee, Leasehold, and Easement Interests in Certain Parcels of Land Located in the Towns of Sanford and Windsor in the County of Broome and State of New York to be used, Collectively, as a Wind-Powered Electric Generating Facility, and Appointing Bluestone Wind, LLC (The "Company"), as Agent of The Agency for the Purpose of Acquiring, Constructing, Installing and Equipping the Project and Authorizing the Execution and Delivery of Certain Documents with Respect Thereto, Including a Payment in Lieu of Tax Agreement, Deviating from The Agency's Uniform Tax Exemption Policy, a Sales Tax Exemption Agreement in an Amount not to Exceed \$8,807,628.00, and a Mortgage Tax Exemption in an Amount not to Exceed \$1,918,038.00 | S. Duncan |
| 6. Review/Discussion/Recommendation to Authorize the Extension of the Sales and Use Tax Exemption Agreement for the Spark Broome, LLC Project, Dated October 16, 2019, Through, and Including October 16, 2021, as well as an Increase in the Sales and Use Tax Exemption in an Amount of \$385,000.00 for a Total Sales and Use Tax Exemption not to Exceed \$585,000.00   | S. Duncan |
| 7. Review/Discussion/Recommendation to Authorize an Amendment to the May 9, 2019 Sales Tax Agreement for the AOM 128 Grand Avenue, LLC Lease/Leaseback Project to Include an Increase in the Sales and Use Tax Exemption in an Amount of \$46,400.00, for a Total Sales and Use Tax Exemption in an Amount not to Exceed \$278,400.00   | S. Duncan |
| 8. Adjournment  | R. Bucci  |

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

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Governance Committee Meeting Transcript

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Held telephonically, September 16, 2020, commencing at  
11:30 a.m. Adjourned at 11:50 a.m.

[See attendees at end of Transcript.]

REPORTED BY:

Carrie Hornbeck, Executive Assistant

Broome County Industrial Development Agency

Chairman Bucci: Good morning. We are going to call the Governance Committee Meeting to order. We have present right now, myself: Rich Bucci, Cheryl Insignia [sic], and Jim Peduto.

Ms. Sacco: Cheryl Sacco, Mayor.

Chairman Bucci: Say that again.

Ms. Sacco: Cheryl Sacco. You used my maiden name, but that's okay.

[Laughs.]

Chairman Bucci: I know. Freudian slip.

Ms. Sacco: That's okay.

Chairman Bucci: That's when I knew her -- when she was Cheryl Insignia.

[Laughs.]

Ms. Duncan: Funny how your memory is, right?

Chairman Bucci: When she worked at the city, she was Cheryl Insignia.

Ms. Abbadessa: I'm like, what's he talking about?

[Laughs.]

Chairman Bucci: So, the first order of business is to accept the Governance Committee Meeting transcript. That was sent out to all members. Members had an opportunity to forward to Carrie any modifications, as such. So, I'll move that we accept the Governance Committee transcript from our August 19th meeting.

Next order of business is Public Comment. If there is anyone online, or present, who would like to speak, I would ask that they now introduce themselves, say their name and give us their address. Seeing or hearing none, we'll close that section of the meeting, and move on to our first item agenda.

The first item is a Review, Discussion and Recommendation to Authorize The Agency to Extend an Economic Development Services Agreement with the Village of Johnson City to Assist the Village with Economic Development Opportunities and Services, as Set Forth in Exhibit "A," for a Period of One Year, Running from October 1st, 2020, Through and Including September 30th, 2021. I'll turn it over to Stacey.

Ms. Duncan: Yeah, so, last year, we -- you know -- entered into a new and more formal relationship with the Village of Johnson City. Much of that was driven because of the volume of projects that they were awarded through the Greater Binghamton Fund and having a relatively small economic development staff there. We were able to provide some technical support and assistance on moving a number of those projects forward; and then, a lot of those, not surprisingly, came to a screeching halt with COVID. But since that time, there has been some activity with that and in a recent conversation with the Mayor -- they felt that the relationship was very beneficial, as did we, so we were looking at extending that for another year term -- and I want to thank the Board -- our thought was given the financial constraints to the Village on COVID, and some of the delays we had, on being able to execute some of our objectives with them. We are going to continue that extension -- currently at no charge during this timeframe. Just to note, they still do have -- for the existing contract -- they are making final payment on that contract, as well. So, if there is [sic] any questions, I would be happy to answer them, but if not, we'll move ahead.

Ms. Sacco: So, just for full disclosure to the Board, I -- my office does represent Johnson City and has been involved with this, so I will be abstaining -- so, you may not have a sufficient number to move this.

Chairman Bucci: Okay. So, we do not, right?

Ms. Duncan: We would not with Brian's absence.

Chairman Bucci: Okay. Alright, so we'll just present this to the full Board, with that explanation.

Ms. Duncan: Sure.

Chairman Bucci: The next item on the agenda is a Review, Discussion and Recommendation to Approve an Amendment to the Sales and Use Tax Exemption Agreement for Spark Broome, LLC Lease/Leaseback Project to Include an Extension of the Sales and Use Tax Exemption Agreement from October 16, 2020 Through, and Including October 16, 2021, as well as an Increase in the Sales and Use Tax Exemption in an Amount of \$385,000.00 for a Total Sales and Use Tax Exemption

not to Exceed \$585,000.00 and Authorizing The Agency to Set and Conduct a Public Hearing.

Ms. Duncan: Thank you, Mayor. Again, this is also partially due to delays in this project, because of COVID-19. As you know, Spark Broome, LLC, with principal, Doug Matthews, is converting the former Sears building into a multi-use facility, including Beer Tree Brew Company, the Broome-Tioga -- excuse me, Broome County Office of Economic Development, and is -- Workforce Development -- as well as the Lourdes Wellness project. The original intent was to move some offices over to some of that space. Then, in speaking with Kathy Connerton recently, they saw an opportunity to move more clinical care and clinical offices into that space -- especially, as we've learned from COVID -- the need to separate some non-emergency, or non-acute care settings outside of their hospital. As such, the change of that type of space has increased costs to this project. So, they are seeking, as well, an increase in the timeframe for an additional year, but, as well, an increase in the value of that exemption by

about \$385,000.00. I do have Erick Webb here, representing Spark Broome, if anyone has questions.

Chairman Bucci: Are they expanding the amount of space they are taking, or just reconfiguring their original plan?

Ms. Duncan: My understanding is just reconfiguring -- they were planning to move some of their existing offices -- which is up off of Lewis Road, into this space -- but found an opportunity to use it for clinical space, instead.

Chairman Bucci: Any additional questions for Erick or Stacey? Alright. Hearing none, I'll entertain a motion.

Ms. Sacco: Sacco makes the motion.

Chairman Bucci: Motion to approve. Is there a second?

Ms. Sacco: Jim, you're on mute.

Mr. Peduto: Not any more. I still move it -- or second it.

[Laughs.]



Chairman Bucci: Jim seconds. Motion and second. All in favor?

Unknown: [I -- in unison.]

Chairman Bucci: Opposed? Okay. Motion is carried.

Mr. Webb: Thank you.

Chairman Bucci: Okay.

Review/Discussion/Recommendation to Accept the Findings and Lead Agency's Decision on the GEIS for the Former BAE Site Located at the 600 Main Street, in the Town of Union.

Ms. Duncan: Okay, so this is the final, final step in the accepting and approving the GEIS for the redevelopment of 600 Main Street. The final action by the Board is just to accept the findings of the study, as well as the lead agency's decision. Brendan, I don't know if you want to add any updates on that.

Mr. O'Bryan: Yeah, so with the Findings Statement we issued based off the FGEIS that we completed last month -- and approved at the Board meeting -- was sent out to all the involved agencies

and the findings said that there was a potential that there was -- developed for a 200 to 500-year flood -- so, on any given day, that's about a [inaudible] to .01% chance of a flood event happening. And in that occurrence, we sent out to all involved agencies to have them give us any comment back based on what they read and if they had any public findings based off that FGEIS. We did not receive any other comments. So, that says that the involved agencies are accepting our findings and that they agree with those findings. So, pending Board approval here, this will wrap up this whole SEQR process and we can complete it.

Chairman Bucci: Okay. Any questions of Brendan or Stacey? Okay. I'll entertain a motion to approve.

Mr. Peduto: This is Jim. I'll move that we approve it.

Ms. Sacco: Sacco. Second.

Chairman Bucci: All in favor?

Unknown: [I -- in unison.]

Chairman Bucci: Unopposed; the motion is carried.

Chairman Bucci: The next item on the agenda is a Review, Discussion and Recommendation to Accept an Application from Upstate Hi-Tech Properties, offering a Mortgage Tax Exemption in an Amount Not to Exceed \$11,000.00, Consistent with the Policies of The Agency in Connection with the Purchase and Construction of a 16,800 Square Foot Custom Building to be Located at 16 Beech Street in the Town of Union, and a Sales and Use Tax Exemption in an Amount not to Exceed \$84,800.00, Consistent with the Policies of The Agency in Connection with the Acquisition of Machinery and Equipment in Connection Therewith.

Ms. Duncan: Thank you. So, Upstate Hi-Tech Properties, LLC is the real estate holding company that's purchasing the vacant parcel of land in the Town of Union -- approximately, six and a half acres - - to sit [sic] -- at 16 Beech Street, in the Town of Union -- is planning to erect a 16,800 square foot custom building to house their New York State operations of Custom Systems Integration or CSI, which is an engineering manufacturing company that has operated in Broome County for over 18 years. They

have a need to expand with -- and would like to stay within the Town of Union. CSI has been actively looking for a new location for over two years, but has opted to do this new construction project to accommodate the hi-tech company's needs without -- at a cost-effective way for them. And, so this will also allow them the opportunity to tailor the business to their growing needs. The total value of the sales tax exemption, which is the application -- is -- in your packet -- is \$95,800.00. This will not require a public hearing, so the action today by the Board will be able to approve that benefit, as well.

Chairman Bucci: Any questions of Stacey?  
Or comments? I think it bodes well for the company, that they are actually making that kind of investment  
\* \* \*

Ms. Duncan: Absolutely.

Chairman Bucci: To stay in the Town of Union, which is nice. Is there a motion to approve?

Ms. Sacco: Sacco makes the motion.

Mr. Peduto: Peduto seconds.

Chairman Bucci: All in favor?

Unknown: [I -- in unison.]

Chairman Bucci: The motion is carried.

The next item on the agenda is a Review/Discussion/Recommendation to Accept an Application for Ophthalmic Associates of the Southern Tier, and Authorizing a Sales and Use Tax Exemption in an Amount not to Exceed \$79,549.00, Consistent with the Policies of The Agency in Connection with the Acquisition of Furniture, Fixtures and Equipment for Use at Offices to be Located at 530 Columbia Drive, in Johnson City.

Ms. Duncan: Okay. So, the -- Dr. Daniel Sambursky is the owner of Ophthalmic Associates of the Southern Tier and Binghamton ASC, LLC, as well -- recently purchased 530 Columbia Drive, which I believe was formerly utilized by Innovation, who has since grown out of that space and moved within the Town of Union, as well. They are looking to renovate the building for medical office and ambulatory surgery center. Renovations totaling approximately \$5.1 million. They will then lease a portion of the space to Ophthalmic Associates for its practice office and a portion of that space will be leased to [inaudible]

subsidiary that Dr. Sambursky owns for a new ambulatory surgery center for Ophthalmology -- I believe the first of its kind here in our community. The total value of the sales tax exemption is \$79,549.00. Again, below the threshold to induce a public hearing, so the action today will approve that benefit.

Chairman Bucci: Any questions or comments? Okay -- entertain a motion to approve.

Ms. Sacco: Sacco makes the motion.

Mr. Peduto: Jim seconds . . .

Chairman Bucci: I'll second it -- Jim seconded it.

Chairman Bucci: All in favor?

Unknown: [I -- in unison.]

Chairman Bucci: Motion is carried.

Our next item on the agenda is a Review/Discussion/Recommendation to Accept an Application from Bluestone Wind, or an Entity to be Later Named, for a Sale/Leaseback or a Lease/Leaseback Transaction to Facilitate the Financing of the

Acquisition, Construction and Equipping of a Wind-Powered Electric Generating Facility Located in the Towns of Sanford and Windsor, and Authorizing a Sales Tax Exemption in an Amount of \$8,807,628.00, a Mortgage Tax Exemption in an Amount of \$1,918,038.00, and a Setting -- and Setting and Conducting a Public Hearing with Respect Thereto.

Ms. Duncan: Okay. So, this project, as we know, has been in the development for a number of years. I think it was probably -- maybe 2018 when we first were introduced to the project -- and, since that time, they have been working with our representatives in the Towns of Sanford and Windsor on the development of both the PILOT and the Host Community Agreement. As Jeff highlighted in his story yesterday, the Bluestone Wind project is a 124-megawatt wind turbine project in the Towns of Sanford and Windsor. The Bluestone Wind project, as required by New York State law, did receive approvals through the Article 10 Siting Process from New York State in December of 2019. Some changes to the project: in May of this year, ownership transferred from Calpine, who initiated the project, to Northland Power, which is a publicly-owned energy company based in Canada. I



believe this is their first or second project in New York State. I believe they also purchased the power just a little further east, in Bainbridge. The municipalities in eastern Broome will receive approximately \$1.4 million annually, via the PILOT payments and Host Community Agreements. The project has received to date all the necessary local approvals, as they relate to Host Community Agreement, Road Use Agreement, as well as the IDA incentive, that you now consider today. This project, and other renewable projects throughout the Southern Tier and within New York State, have been sited as contributing to the Governor's renewable energy goals to transition a lot of our electricity, and use to renewables, by 2030. So, the actions by the Board today are to accept the application for the purposes of inducing public hearings in the Towns of Sanford and Windsor and the -- before our October Board meeting. I don't know if Chris Stanton -- are you on the call with us today -- at the meeting with us today? He may -- I believe Chris will be at the regular Board meeting, if there are any additional -- if there are questions from the Board.



Chairman Bucci: Okay. Any questions for Stacey?

Mr. Peduto: Stacey . . .

Ms. Sacco: I . . .

Mr. Peduto: . . . [inaudible].

Ms. Sacco: . . . I will not be able to move or act on this. So, you may need to take this to the entire Board, if -- unless we've got an additional committee member.

Chairman Bucci: Okay. Jim, did you have a question?

Mr. Peduto: I just did, on the PILOT. It's -- I -- so, if we -- do we know the entity that is going to be executing the PILOT, or is that to be determined?

Ms. Duncan: That -- my understanding would be within the two -- within the jurisdictions of the Towns of Sanford and Windsor. Cheryl, do I have that correct -- as far as the people that . . .

Ms. Sacco: So, my understanding is the new entity actually purchased Bluestone -- so, the entity

itself -- my understanding is the name would not change. But, if the -- if representatives are coming to the general meeting, I would confirm that with them. So, even though there was a purchase, I believe there was -- they call it, an upstream purchase -- so, they are not naming it a new entity -- they are keeping it Bluestone. Does that make sense?

Mr. Peduto: Yep.

Unknown: Yeah.

Mr. Peduto: Does that entity have a -- presumably -- is a single purpose -- that entity is -- is this project -- is [sic] the entity have a parent?

Ms. Sacco: It does.

Mr. Peduto: And is the parent going to guarantee the PILOT payments?

Ms. Sacco: I have no clue.

Ms. Duncan: [Inaudible] no idea. I don't know the answer to that.

Attorney Meagher: It's not set up that way, but I guess we could ask, and go . . .

Mr. Peduto: What happens if this entity -- you know -- walks, or doesn't work out the way they hope and, the wind stops blowing or whatever. . .

Attorney Meagher: We terminate the PILOT. Ordinarily, the savings are of such significance that they want to continue, but we always have that option, if they are not honoring their obligations -- to terminate -- and put it back on the tax roll -- you know, whatever the implications to that would be and that would be mostly centered on how you would access this type of facility.

Mr. Peduto: Are the -- in the PILOT -- in the schedule, it talks about the assumed capacity. So, is that a guarantee if the capacity is above or below that, it's at a fixed -- it's at the fixed assumed rate?

Attorney Meagher: I'll be frank -- I don't know the answer to that.

Ms. Duncan: Yeah, I think those are questions -- when -- we should certainly bring up with Chris Stanton when he attends the regular Board meeting, for sure.

Mr. Peduto: Okay.

Chairman Bucci: And, they agree to all the fee structure and everything that we had talked about at the previous meeting . . .

Ms. Duncan: Um hum.

Chairman Bucci: So, that's all been taken care of.

Ms. Duncan: All set. Um hum.

Chairman Bucci: Any additional questions right now? Probably, it's -- probably the questions are best -- waited -- for Chris -- because he can probably address them in greater detail.

Mr. Peduto: Yep. I was just trying to avoid giving him a headache.

[Laughs.]

Chairman Bucci: No, that's alright. No, I think it's good -- I think you are stimulating other questions, Jim, so that's okay.

Ms. Duncan: Yeah.

Chairman Bucci: So, we can't move this, because -- Cheryl, you are abstaining?

Ms. Sacco: I am -- [inaudible] -- not be taking action, correct.

Chairman Bucci: Okay. So, we have just -- send this to the full Board -- just with that advisement. [Inaudible.] Okay. That completes our agenda. I will entertain a motion to adjourn.

Mr. Peduto: So, moved. Jim.

Ms. Sacco: Sacco.

Chairman Bucci: Second?

Ms. Sacco: Second. Sacco.

Chairman Bucci: All in favor?

Unknown: [I -- in unison.]

Chairman Bucci: Okay. Meeting is adjourned.

Meeting adjourned [at 11:50 a.m.].

[Attendees: Rich Bucci, Cheryl Sacco, Jim Peduto, Wayne Howard, John Stevens, John Bernardo, Stacey Duncan, Tom Gray, Natalie Abbadessa, Carrie Hornbeck, Theresa Ryan, Brendan O'Bryan, Amy Williamson, Kevin Wu, Joe Meagher, Jeff Platsky, Erick Webb.]

STATE OF NEW YORK :

COUNTY OF BROOME :

I, CARRIE HORNBECK, Executive Assistant,  
do certify that the foregoing is a true and accurate  
transcript of the Broome County Industrial Development  
Agency Governance Committee Meeting, held  
telephonically, on September 16, 2020.

A handwritten signature in cursive script, reading "Carrie Hornbeck", is written over a horizontal line.

CARRIE HORNBECK

Executive Assistant

The Agency Broome County

Industrial Development Agency

FIVE South College Drive

Binghamton, NY 13905

# 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 \$250.00 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 Vestal Asphalt, Inc.  
Address 201 Stage Rd.  
City/State/Zip Vestal, NY 13850  
Tax ID No. 16-1201418  
Contact Name Justin Guiles  
Title CEO  
Telephone (607) 222-2668  
E-Mail jguiles@vestalasphalt.com

#### Owners of 20% or more of Applicant Company

| Name               | %          | Corporate Title  |
|--------------------|------------|------------------|
| <u>Neil Guiles</u> | <u>100</u> | <u>President</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)

Renovate existing structure to house Vestal Asphalt corporate offices.

## PROJECT TIMELINE

10/15/2020

Start Date

1/31/2021

End Date

220 Stage Rd. Vestal, NY 13850

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. \$ 150,000  
b. LABOR b. \$ 200,000

### Site Work

- c. MATERIALS c. \$ 0  
d. LABOR d. \$ 0  
e. Non-Manufacturing Equipment e. \$ 25,000  
f. Furniture and Fixtures f. \$ 75,000  
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 \$ 460,000

- 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 \$ 460,000

TOTAL SOURCES \$ 460,000

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

☐ Yes ☒ No

If so, please specify bank, underwriter, etc.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

## 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**) \$ 250,000.00

Estimated value of New York State and local sales tax exemption (8% of value of eligible goods) \$ 20,000.00

Estimated duration of sales tax exemption 12  
(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 \$ 0.00

## PROJECTED EMPLOYMENT

Will this investment result in the creation of new jobs? If so, how many? 3.00

Current number of full time employees: 50.00

Estimated annual salary range of jobs to be created:

Annual Salary range from: 45,000 to 70,000

Estimated annual salary range of current jobs:

Annual Salary range from: 45,000 to 100,000

***\*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.***

## APPLICATION & ADMINISTRATIVE FEES

### A. Application Fee:

A non-refundable application fee of \$250.00 shall be charged to each applicant and accompany the completed application

\$ 250.00

### 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

\$ 750.00

*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

Vestal Asset, Inc  
\_\_\_\_\_  
Signature Title Date  
10/13/2020

Sworn to before me this

13<sup>th</sup> day of October, 2020

Kim Hickok

(Notary Public)

**KIM HICKOK**  
NOTARY PUBLIC, STATE OF NEW YORK  
Registration No. 01H16166670  
Qualified in Broome County  
Commission Expires May 21, 2023

## LABOR POLICY

### 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 worked 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 Vesta Agency (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 ends on the project to the Agency.

The Applicant understands an Agency/IDA tax-exempt certificate is valid for one year from the effective date of the project inducement. If an Applicant wishes to request an extension, a letter must be sent 30 days prior to the end date to the Executive Director, on company letterhead, explaining the necessity for the extension.

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 10/13/2020 (Submission date).

APPLICANT: Vestal Asphalt, Inc.

REPRESENTATIVE FOR CONTRACT BIDS/AWARDS: Justin Guiles

ADDRESS: 201 Stage Rd.

CITY: Vestal

STATE: NY ZIP: 13850

PHONE: (607) 222-2668

EMAIL: jguiles@vestalaspalt.com

PROJECT ADDRESS: 220 Stage Rd. Vestal, NY 13850

AUTHORIZED REPRESENTATIVE: Justin Guiles

TITLE: CEO

SIGNATURE: \_\_\_\_\_

Sworn to before me this

13<sup>th</sup> day of October, 2020

Kim Hickok

(Notary Public)

**KIM HICKOK**  
NOTARY PUBLIC, STATE OF NEW YORK  
Registration No. 01H16166670  
Qualified in Broome County  
Commission Expires May 21, 2023

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  
brad@bxstier.com  
(607) 771-7000

Binghamton/Oneonta Building Trades Council  
11 Griswold Street  
Binghamton, NY 13904  
raikens@iwoe158.org  
(607) 723-9593

(877) 784-9556  
Tompkins-Cortland Building Trades Council  
622 West State Street  
Ithaca, NY 14850  
tbrueribew241@gmail.com  
(607) 272-3122

Southern Tier Building Trades Council  
1200 Clemens Center Parkway  
Elmira, NY 14901  
ibew139ba@aol.com  
(607) 732-1237

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

Building Trades  
Katie Fairbrother, Secretary  
kfairbrother@ualocal112.org  
607-723-9593

**LOCAL LABOR UTILIZATION REPORT**

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

APPLICANT: Vestal Asphalt, Inc.

PROJECT ADDRESS: 220 Stage Rd.

CITY: Vestal

STATE: NY ZIP: 13850

EMAIL: jguiles@vestalasphalt.com

PHONE: (607) 222-2668

GENERAL CONTRACTOR/CONSTRUCTION MANAGER: Andrew R. Mancini Associates

CONTACT: Rico DiCamillo

ADDRESS: 129 Odell Ave.

CITY: Endicott

STATE: NY ZIP: 13760

EMAIL: rico@armoggi.com

PHONE: (607) 754-7070

| ITEM                     | CONTRACT/SUB | 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 IDA  
Local Labor Area

APPLICANT: Vestal Asphalt, Inc.

PROJECT ADDRESS: 220 Stage Rd.

CITY:

STATE:

ZIP:

EMAIL:

PHONE:

GENERAL CONTRACTOR/CONSTRUCTION MANAGER:

CONTACT:

ADDRESS:

CITY:

STATE:

ZIP:

EMAIL:

PHONE:

| ITEM                        | CONTRACT/SUB | ADDRESS | EMAIL | PHONE | AMOUNT |
|-----------------------------|--------------|---------|-------|-------|--------|
| Site/Demo                   |              |         |       |       |        |
| Foundation/Footings         |              |         |       |       |        |
| Building                    |              |         |       |       |        |
| Masonry                     |              |         |       |       |        |
| Metals                      |              |         |       |       |        |
| Wood/Casework               |              |         |       |       |        |
| Thermal/Moisture            |              |         |       |       |        |
| Doors, Windows &<br>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

**BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY**  
**PROJECT REVIEW FORM**

|   |  |   |                                 |
|---|--|---|---------------------------------|
| <b>Company:</b> Bluestone Wind, LLC or its designee   |  | <b>IDA Meeting Date:</b> 09/16/2020   |                                 |
| <b>Representative:</b> Chris Stanton  |  | <b>IDA Public Hearing Date:</b> TBD   |                                 |
| <b>Type of Business:</b> Wind Power Project<br><b>Project Start Date:</b> 2020<br><b>Project End Date:</b> TBD  |  | <b>Company Address:</b> 30 St. Clair Ave.<br>W 12th floor<br>Toronto, Ontario M4V3A1  |                                 |
| <b>Employment:</b><br><small>Full-Time Equivalent</small><br>Existing 0<br>1st year 2<br>2nd year 0<br>3rd year 0 <b>Total = 2</b>  | <b>Total Yearly Payroll</b><br>1st Year \$ 172,000.00<br>2nd Year _____<br>3rd Year _____<br><b>Total: \$ 172,000.00</b> | <b>Own / Lease:</b><br><br>Lease  | <b>SF / Acreage:</b><br><br>N/A |
| <b>Construction Jobs:</b><br><br>73-150   |  | <b>Proposed Project Location:</b><br><br>Towns of Windsor and Sanford   |                                 |
| <b>Company Contact For Bid Documents &amp; Employment Opportunities:</b><br><br>Chris Stanton<br>(512) 557-8843 chris.stanton@northlandpower.com  |  | <b>Description:</b><br><br>*See Attached  |                                 |
| <b>PROJECT BUDGET</b>   |  | <b>ASSESSMENT</b>   |                                 |
| Land Related Costs  | \$ 1,500,000.00  | Current Assessment  | \$ 0.00                         |
| Building Related Costs  | \$ 104,418,849.00  | Asmt. At Completion (Est.)  | \$ 0.00                         |
| M & E Costs   | \$ 106,896,500.00  | <b>EXEMPTION (Est.)</b>   |                                 |
| F F & E Costs   |  | Sales Tax @ 8%  | \$ 8,807,628.00                 |
| Professional Services/Development Cost  | \$ 300,000.00  | Mortgage Tax  | \$ 1,918,038.00                 |
| Total Other Costs   |  | Property Tax Exemption  | 20,911,734.00                   |
| Working Capital Costs   |  |   |                                 |
| Closing Costs   |  |   |                                 |
| Agency Fee  | \$ 2,131,153.00  | <b>TOTAL EXEMPTIONS:</b>  | \$ 31,637,400.00                |
| <b>TOTAL:</b>   | \$ 215,246,502.00  | <b>TOTAL PILOT PAYMENTS:</b>  | \$ 9,388,266.00                 |
| <b>Project Type</b><br><b>(Check all that apply)</b><br><input type="checkbox"/> Manufacturing, Warehousing, Distribution<br><input type="checkbox"/> Agricultural, Food Processing<br><input type="checkbox"/> Adaptive Reuse, Community Development<br><input type="checkbox"/> Housing Development<br><input type="checkbox"/> Retail*<br><input type="checkbox"/> Back Office, Data, Call Centers<br><input checked="" type="checkbox"/> Energy/Power |  | <b>Project Criteria Met</b><br><b>(Check all that apply)</b><br><input checked="" type="checkbox"/> Project will create and /or retain permanent jobs<br><input checked="" type="checkbox"/> Project will be completed in a timely fashion<br><input checked="" type="checkbox"/> Project will create new revenue to local taxing jurisdictions<br><input checked="" type="checkbox"/> Project benefits outweigh costs<br><input checked="" type="checkbox"/> Other public benefits |                                 |
| <small>* Uniform Tax Policy does not typically provide tax exemptions for Retail Projects</small>   |  | <small>*New York State Required Criteria</small>  |                                 |
| <b>Pilot Type</b><br><input type="checkbox"/> Standard _____ year <input type="checkbox"/><br><input checked="" type="checkbox"/> Deviated <u>30</u> year   |  |   |                                 |
| <b>Staff Comments:</b>  |  |   |                                 |



**Bluestone Wind, LLC**  
**Application for Financial Assistance to Broome County IDA**

**Exhibit A**  
**Project Data**

1. Project Description

The project covered by this Application (the "Project") will consist of: (a)(1) the acquisition of an interest in the Company's fee, leasehold, and easement interests in certain parcels of land located in the Towns of Sanford and Windsor, Broome County, New York (collectively, the "Land"), (2) the acquisition, construction, installation and equipping on or under the Land of: (i) a buried and overhead collection and transmission line system to carry electricity to the point of interconnection, (ii) one or more electrical substations and related switching, (iii) operations, maintenance and storage buildings, (iv) one or more meteorological and communication towers and devices, and (v) a system of gravel access roads, security fencing and gates, parking, landscaping and related improvements to the Land (collectively, the "Improvements"), and (3) the acquisition, installation and equipping therein and thereon of certain equipment, including wind turbine generators with a total combined rated capacity of up to 124<sup>1</sup> megawatts ("MW"), transformers, potential battery storage and related facilities, and furniture, fixtures, machinery and equipment (collectively, the "Equipment"), all of the foregoing for use by the Company as a wind-powered electric generating facility (collectively, the "Project Facility"), and (b) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the General Municipal Law) with respect to the foregoing, including exemptions from mortgage recording taxes, sales and use taxes, and real property taxes for the Project Facility (but not including special assessments and ad valorem levies) (collectively, the "Financial Assistance").

2. Photo of the Site

Attached is an April 2019 copy of the facility layout of the Project Facility submitted in connection with the application ("Article 10 Application") of Bluestone Wind, LLC (the "Company") for a Certificate of Environmental Compatibility and Public Need ("Certificate") to the New York State Board on Electric Generation Siting and the Environment (the "Siting Board") pursuant to Article 10 of the New York Public Service Law ("Article 10") under Case No. 16-F-0559. The Siting Board granted a Certificate of Environmental Compatibility and Public Need with respect to the Project (the "Article 10 Certificate") on December 16, 2019.

3. Preliminary plans or sketches.

See response to #2 above. The Article 10 Application contains information regarding the Project Facility and is available for inspection on the Project's website (<https://www.northlandpower.com/What-We-Do/Development-Projects/Wind/Bluestone-Wind.aspx>) as well as on the New York Department of Public Service's Document and Matter Management System (<http://documents.dps.ny.gov>).

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<sup>1</sup> Project's Interconnection Request with NYISO limits capacity to 124.2 MW.

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

Date: 9.08.2020  
Project Name/Address: Bluestone Wind, LLC  
Project Start Date: 2020  
Project Description: \*Please see Exhibit A

**BENEFIT**

Investment: Public/Private/Equity

|                                |   |                                |
|--------------------------------|---|--------------------------------|
| Building Related Costs         | \$ 104,418,849.00                           |                                |
| Land Related Costs             | \$ 1,500,000.00                             |                                |
| M&E Costs                      | \$ 106,896,500.00                           |                                |
| Professional Fees/ Development | \$ 300,000.00                               |                                |
| <b>TOTAL INVESTMENT</b>        | <b>\$213,115,349.00</b>                     | <b><u>\$213,115,349.00</u></b> |
| <br>New Mortgages              | <br>\$1,917,038.00                          |                                |
| Jobs                           |   |                                |
| New                            | 2   |                                |
| Retained                       | <u>0.0</u>                                  |                                |
| <b>TOTAL JOBS</b>              | <b>2</b>                                    |                                |
| <br>Term # Years               | <br>30 years                                |                                |
| <b>TOTAL PAYROLL</b>           | <b>\$ 172,000.00</b>                        | <b>\$ 172,000.00</b>           |
| <b>PILOT PAYMENTS</b>          | <b>\$ 9,388,266.00 (see Pilot Schedule)</b> | <b>\$ 9,388,266.00</b>         |
| <b>TOTAL BENEFIT</b>           | <b>\$ 222,675,615.00</b>                    | <b>\$ 222,675,615.00</b>       |

**Real Property Tax Exemption**

The Company executed a Host Community Agreement ("HCA") with the involved tax jurisdictions, in March 2020, which calls for an annual PILOT payment of \$1,900 per MW of installed capacity for the Project, a PILOT agreement term of 30 payment years (the "Term"), which is the useful life of the Project and generally consistent with the term of the Company's leases with underlying landowners, and annual PILOT payment escalation of two percent (2%). Based on an anticipated installed capacity of 121.8 MW, the annual PILOT payment would be \$231,420. A schedule of anticipated PILOT payments is attached hereto.

A significant majority of the cost of the Project relates to equipment that constitutes movable machinery and equipment and should not be subject to real property taxation under New York law. Excluding those elements of the Project from the total Project cost and taking into account economic obsolescence, without Agency involvement the Company would anticipate a general ad valorem property tax burden of no more than \$1.01 million per year.<sup>2</sup>

Based on the proposed annual PILOT payment and the agreed annual HCA payment<sup>3</sup> combined total of \$1,157,100 per year, the Project will result in total initial new revenue to the involved tax jurisdictions that exceeds the otherwise anticipated property tax burden per year.

**Implications of Cost-Benefit Analysis**

In the context of a Project that would be eligible for a PILOT Agreement under the RPTL Section 487 exemption, but where the Project has offered to create a significant revenue opportunity for the involved tax jurisdictions through PILOT and HCA payments, it is difficult to evaluate the relative "benefits" to the Company and "costs" for the Agency of the requested Financial Assistance. Such payments would significantly exceed potential sales tax and mortgage recording tax exemptions on the Project and, as stated previously, would significantly exceed the potential exemption from the otherwise anticipated property tax burden on the Project (if the RPTL 487 exemption and anticipated physical depreciation are taken into account).

However, the Financial Assistance would support construction of the Project because it would:

(a) involve a longer PILOT term than is available for wind projects under RPTL Section 487, (b) secure necessary operating cost certainty for the Project over its useful life, and (c) create budgeting and revenue certainty for the host tax jurisdictions.

|                        |                         |                         |
|------------------------|-------------------------|-------------------------|
| PROPERTY TAX ABATEMENT | \$ 20,911,734.00        |                         |
| SALES TAX ABATEMENT    | \$ 8,807,628.00         |                         |
| MORTGAGE RECORDING TAX | \$ 1,918,038.00         |                         |
| AGENCY FEE             | \$ 2,131,153.00         |                         |
| <b>TOTAL COST</b>      | <b>\$ 33,768,553.00</b> | <b>\$ 33,768,553.00</b> |

|                         |  |                                 |
|-------------------------|--|---------------------------------|
| <b>NET BENEFIT/COST</b> |  | <b>\$ <u>188,907,062.00</u></b> |
|-------------------------|--|---------------------------------|

|                           |           |
|---------------------------|-----------|
| <b>Benefit/Cost Ratio</b> | 6.59 to 1 |
|---------------------------|-----------|

Comments/Additional Revenue:

|                                 |   |
|---------------------------------|---|
| Any Additional Public Benefits: | The Towns of Windsor and Sanford will each receive \$925,680 in a yearly HCA payment. |
|---------------------------------|---|

## Bluestone Wind PILOT Schedule

| PILOT Payment Year | Payment Rate<br>(\$ / MW) | Assumed Installed Capacity<br>(MW) | PILOT Payment<br>(\$)  |
|--------------------|---------------------------|------------------------------------|------------------------|
| 1                  | 1,900                     | 121.8                              | 231,420                |
| 2                  | 1,938                     | 121.8                              | 236,048                |
| 3                  | 1,977                     | 121.8                              | 240,769                |
| 4                  | 2,016                     | 121.8                              | 245,585                |
| 5                  | 2,057                     | 121.8                              | 250,496                |
| 6                  | 2,098                     | 121.8                              | 255,506                |
| 7                  | 2,140                     | 121.8                              | 260,617                |
| 8                  | 2,183                     | 121.8                              | 265,829                |
| 9                  | 2,226                     | 121.8                              | 271,145                |
| 10                 | 2,271                     | 121.8                              | 276,568                |
| 11                 | 2,316                     | 121.8                              | 282,100                |
| 12                 | 2,362                     | 121.8                              | 287,742                |
| 13                 | 2,410                     | 121.8                              | 293,497                |
| 14                 | 2,458                     | 121.8                              | 299,366                |
| 15                 | 2,507                     | 121.8                              | 305,354                |
| 16                 | 2,557                     | 121.8                              | 311,461                |
| 17                 | 2,608                     | 121.8                              | 317,690                |
| 18                 | 2,660                     | 121.8                              | 324,044                |
| 19                 | 2,714                     | 121.8                              | 330,525                |
| 20                 | 2,768                     | 121.8                              | 337,135                |
| 21                 | 2,823                     | 121.8                              | 343,878                |
| 22                 | 2,880                     | 121.8                              | 350,756                |
| 23                 | 2,937                     | 121.8                              | 357,771                |
| 24                 | 2,996                     | 121.8                              | 364,926                |
| 25                 | 3,056                     | 121.8                              | 372,225                |
| 26                 | 3,117                     | 121.8                              | 379,669                |
| 27                 | 3,179                     | 121.8                              | 387,262                |
| 28                 | 3,243                     | 121.8                              | 395,008                |
| 29                 | 3,308                     | 121.8                              | 402,908                |
| 30                 | 3,374                     | 121.8                              | 410,966                |
| <b>Total</b>       |                           |                                    | <b>\$ 9,388,266.00</b> |

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

October 6, 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 previously informed that the sales tax exemption apparently was scheduled to expire on May 8, 2020. At the time, I extended my full apology for not being aware of the imminent expiration, and requested an extension, which was generously granted.

Since then, I was informed *literally today* that the amount of sales tax exemption originally requested in the PILOT application, namely, sales tax exemption for an aggregate amount for supplies equaling \$2,900,000.00 (or \$232,000 in sales tax exemption), is grossly insufficient. The primary reason for that is the Covid-19 related increases in the cost of supplies that has struck the construction industry at large and in particular with regard to the Project. Although we are nearing the end of the completion of the Project, the supplies expenditures are expected to be about 20% higher than originally estimated. **As such, I respectfully request that the original sales tax exemption of \$232,000 (covering \$2,900,000 of supplies) be increased to \$278,400 (covering \$3,480,000 of supplies expenditures).**

I again apologize for my not submitting this request earlier in May of this year, but I was only informed of the shortfall today. I respectfully beseech The Agency to grant my request for an increase in the amount 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 one hundred percent, and I ask The Agency to help me realize our mutual goal of seeing LOFTS@JC up and running as planned, and to have a completed Project that is financially viable. The success of LOFTS@JC is the success of Johnson City, as success breeds success, and more specifically, further investments in Johnson City from other private developers.

Sincerely,

A handwritten signature in black ink, appearing to read 'Praveen Kamath', with a stylized flourish at the end.

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