

THE AGENCY

B R O O M E C O U N T Y I D A / L D C

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

March 16, 2022 • 12:00 p.m. • The Agency Conference Room
FIVE South College Drive, Suite 201, 2nd Floor
Binghamton, New York 13905

REVISED AGENDA

1. Call to Order J. Bernardo
 2. Approve Transcript – February 16, 2022 Board Meeting J. Bernardo
 3. Public Comment J. Bernardo
 4. Executive Director's Report S. Duncan
 - Updates
 - Internal Financial Report – February 28, 2022
 5. Loan Activity Reports as of February 28, 2022 N. Abbadessa
- New Business**
6. Review of Investment Portfolio B. Eaton
 7. Resolution Approving the 2021 Audit of the Broome County Industrial Development Agency, Conducted by Insero & Co. CPA's, LLP S. Duncan
 8. Resolution Approving a \$155,000 Loan Request from JB Lehtonen, LLC, from the BDF Loan Fund Program as Set Forth in the Commitment Letter Attached Hereto as Exhibit "A" N. Abbadessa
 9. Resolution Approving an Extension of the March 17, 2021 Sales and Use Tax Exemption Agreement with Upstate Hi-Tech Properties, LLC from March 17, 2021 Through and Including August 31, 2022, the Total of Which Shall not Exceed \$84,800.00 S. Duncan
 10. Resolution Approving an Extension of the May 1, 2020 Sales and Use Tax Exemption Agreement with Simulation and Control Technologies, Inc. from April 15, 2022 Through and Including April 15, 2023, of Which the Total Shall not Exceed \$40,880.00 S. Duncan
 11. Resolution Approving an Extension of the June 12, 2020 Sales and Use Tax Exemption Agreement with GJS Property Group, LLC from May 20, 2022 Through and Including May 20, 2023, of Which the Total Shall not Exceed \$60,000.00 S. Duncan

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|---------------------|---|--------------|
| 12. | Resolution Approving the Readoption of The Agency's Investment & Deposit Policy, the Internal Controls and Financial Accountability Policy, the Purchasing Policy, the Property Acquisition Guidelines, and the Property Disposition Guidelines, with No Changes | N. Abbadessa |
| 13. | Resolution Accepting an Application from 4301 Watson Blvd, LLC (The "Company") for a Lease/Leaseback Transaction to Facilitate the Financing of the Demolition, Construction and Equipping of the Building Located at 4301 Watson Boulevard in the Town of Union, Broome County, New York, to Provide for a Sales and Use Tax Exemption Benefit in an Amount Not to Exceed \$1,754,866.00, to Provide for a Mortgage Tax Exemption in an Amount Not to Exceed to Exceed \$395,767.00, to Provide for a Real Property Tax Exemption in an Amount Not to Exceed \$559,922.00, and Authorizing The Agency to Set and Conduct a Public Hearing with Respect Thereto | S. Duncan |
| 14. | Discussion Regarding Revised Uniform Tax Exemption Policy for the Broome County Industrial Development Agency | S. Duncan |
| 15. | Executive Session: To Discuss the Sale of Property and/or Personnel Items | S. Duncan |
| Old Business | | |
| 16. | Adjournment | J. Bernardo |

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

IDA Board Meeting Transcript

Held via Zoom, February 16, 2022, commencing at
12:10PM. Adjourned at 12:49PM.

[See attendees at end of transcript.]

Digitally recorded proceeding
Transcribed by: Elana Hulsey
Reporters Transcription Center
P.O. Box 903
Binghamton, NY 13902

CHAIRMAN BERNARDO: Okay. I'd like to call to order this meeting of the Broome County Industrial Development Agency of February 16, 2022. I presume everybody has read the transcripts of our last couple of meetings. Looking for a motion to accept and approve the transcript of the December 15, 2021, Board Meeting?

MR. CROCKER: I'll make that motion.

CHAIRMAN BERNARDO: Thank you, Dan. Is there a second?

MR. BUCCI: Second.

CHAIRMAN BERNARDO: Thank you, Mayor. Any discussion? All those in favor, please say aye.

ALL: Aye.

CHAIRMAN BERNARDO: Any opposed? Item No. 3, we're looking for approval of the transcript of our January 19, 2022, Board Meeting subject to any comments. Is there a motion?

MR. CROCKER: I've read the transcript. I'll make a motion.

CHAIRMAN BERNARDO: Dan, thank you. Is there a second?

MS. SACCO: Second.

CHAIRMAN BERNARDO: Thank you, Cheryl. Any discussion? All those in favor say aye.

ALL: Aye.

CHAIRMAN BERNARDO: Any opposed? Thank you. Moving on, Item No. 4, looking for public comments from anybody wishing to speak on any matter concerning the Broome County IDA. I can't see how many people might be on the Zoom call, so I'll give it a second. Anybody wishing to speak?

UNKNOWN: There are some, but nobody is raising their hand.

CHAIRMAN BERNARDO: Thank you. We'll close the public comment section, and we'll move on to the Executive Director's Report. Stacey?

MS. DUNCAN: Good afternoon everyone. I'm doing this from home. I have a bit of a head cold, and I did not want to give everybody this cold I seem to have gotten. I wanted to update you on a few programs, a few updates here. January 27th, the end of January after our January meeting, we successfully launched the Broome County COVID Recovery Grants Program.

That is a partnership with Broome County. Broome County Planning had asked us to be a subrecipient of that program. That is a million dollar grant from CDBG funds, Community Development Block Grant funds, that we can provide to small businesses still dealing with financial challenges due to COVID. They are grants of up to \$50,000 each. Since launch, we've had just a little over 20 inquiries on the program, and we would say roughly about 50% of those are in review and processing. Some have been deemed, for purposes of the criteria, ineligible. You do have to have certain criteria met, but Brendan O'Bryan and Natalie Abbadessa are working on processing those. Brendan will also be giving a presentation in partnership with CCE, Cornell Cooperative Extension, to a number of local agricultural businesses and farms. We are

continuing to market and pursue assistance through that program.

With regard to ongoing discussions on our modifications to our Uniform Tax Exemption Policy, or our UTEP, we are planning to host a lunch-and-learn on February 25th, a week from this Friday, at noon. We have sent to municipalities as well as school districts and requested that they attend, and we're also setting up a few meetings with municipalities one-on-one with their key staff upon their request. This was part of our due diligence based on the final draft that the Board reviewed, so we will continue those discussions. February 25th, and then we're doing an evening one, if that makes it easier for people to attend, on I believe March 7th at 5:00PM. Those will both be virtual.

Natalie, Brendan, and I will be attending the EDC's Winter Conference, that's the Economic Development Council, February 28th through March 2nd. I will be moderating a panel on Supporting Economic Development During COVID, so we can highlight some of the programs, like our loan program, that we were able to assist businesses with. Also, although I don't know if we'll have a lot of new information, we do expect an update on the prevailing wage mandate approved by New York State last year, so more to come.

Then lastly, we have been invited by New York State EDC to attend the first in a long time for the Binghamton area Industrial Asset Management Conference, or IAMC, with an Upstate New York coalition that would include our IDA, Rochester, Albany, and Syracuse. That is April 30th to May 4th. This conference attracts a number of manufacturing companies as well as site selectors throughout the country, so a nice opportunity to highlight the community.

With regard to internal financials, the only thing I'll turn your attention to, as I often do, is our transition

account. We have just made a new reinvestment. There's roughly \$293,000 in that account. We just received guidance from M&T Bank on the purchase of a new Treasury, so that will be swept and we'll use those funds to purchase a new Treasury. As we do at the end of every month, we sweep that out into either a new investment or into our reserve account. That's all I have, John.

CHAIRMAN BERNARDO: Thank you, Stacey. Any questions for Stacey? I presume everyone has had a chance to look at the loan activity reports as of January 31st. Any questions for Stacey on that?

MR. BUCCI: [inaudible].

MS. DUNCAN: That would be Joe.

MR. MEAGHER: The final order allowing the sale should be on [inaudible]'s desk. I called his clerk. I haven't had a call back, but that's what it says.

MR. BUCCI: The reason I asked, yesterday as you know, there was a big fire on Conklin Ave. It was an apartment building. From the west side, it looked like that was what was on fire. I went over to look and make sure it wasn't that. From the west side it looked like Crowley's was on fire. It was an apartment building about a block down. I think it turned out to be arson from what I understand. So anyhow, that's why I asked because I had a little trepidation yesterday.

CHAIRMAN BERNARDO: Are there any questions or comments? Moving on to new business, Item No. 7, Resolution Accepting an Application from Lehtonen Lumber, LLC D/B/A Foland Lumber

Building Supplies and Authorizing a New York State and Local Sales and Use Tax Exemption in an Amount Not to Exceed \$12,000, for a Term Not to Exceed 12 Months, Consistent with the Policies of the Agency in Connection with the Construction, Expansion, and Equipping of the Property located at 552 Old Front Street in the Town of Dickinson, County of Broome, State of New York. Stacey?

MS. DUNCAN: Yes. This is a program through our Small Business Incentive, our Sales Tax Exemption Only Program. Lehtonen Lumber is looking to do some expansion here into the community. I don't know if Brenda Lehtonen is on the call. She was on for Governance. The project will include a first story addition of just shy of 500 square feet, a second story office, conference room, and break room of 926 square feet, with an adjoining stair vestibule of about 164 square feet. An existing building includes an 8,962 square foot warehouse and covered storage area, adjoining an existing showroom space of 962 square feet, so Foland continues to grow.

I did not point this out in our last meeting, but they are also a WBE, a Women-owned Business Enterprise here in Broome County. Their total project-

MS. LEHTONEN: Stacey?

MS. DUNCAN: Yes?

MS. LEHTONEN: Stacey, this is Brenda here. Actually, I do not have my WBE as of yet.

MS. DUNCAN: Not yet certified through New York State, but a WBE?

MS. LEHTONEN: Right.

MS. DUNCAN: Yes. Thank you for that clarification, Brenda. Total project costs are \$195,000, and they're eligible for a \$12,000 sales tax exemption through our program.

CHAIRMAN BERNARDO: Thank you, Stacey. Mayor, this was covered in Governance?

MR. BUCCI: It was. We moved it forward as a motion to approve.

CHAIRMAN BERNARDO: Okay. We have a motion. Is there a second?

MR. CROCKER: I'll make a second.

CHAIRMAN BERNARDO: Dan, thank you for that second. Any discussion, questions, or comments? Hearing none, let's have a vote. All those in favor say aye.

ALL: Aye.

CHAIRMAN BERNARDO: Any opposed? Any abstentions? Carried. Thank you. Item No. 8, Resolution Approving an Extension of the June 10, 2021, Sales and Use Tax Exemption and Agreement and the June 10, 2021, Sales and Use Tax Exemption Increase Agreement of EJ Victory Building, LLC, from February 17, 2022, Through and Including February 17, 2023, the Total of Which Shall Not Exceed \$1,848,000. Stacey?

MS. DUNCAN: Yes. This is a request for the extension of the term, not the dollar amount, for this project. Matthew

Paulus and Mark Jenkins representing Paulus Development are on the call. They are requesting an additional year, not surprisingly due to a number of delays in construction and supplies to the project, as many projects are still dealing with the COVID impact. This would be just a request of the extension of time. The project is on track and I do believe planning a formal groundbreaking in early March.

CHAIRMAN BERNARDO: Thank you, Stacey. Mayor, this came through Governance?

MR. BUCCI: Yeah. We moved it forward as a motion to approve.

CHAIRMAN BERNARDO: Thank you, Mayor. Is there a second?

MR. CROCKER: I'll second it.

CHAIRMAN BERNARDO: Thank you, Dan. Discussion? Questions? Comments? Hearing none, let's have a vote. All those in favor say aye.

ALL: Aye.

CHAIRMAN BERNARDO: Any opposed? Any abstentions? Carried. Thank you. Item No. 9, Resolution Approving Summary Results of Confidential Evaluation of the Board's Performance. Stacey?

MS. DUNCAN: Yes. The next several items are just annual administrative items that we do both as a board and as a staff, internal review of processes, policies, and procedures. The first is the survey that we send annually to the Board, a

Summary of Results of Board Performance. Those results have been included in your packet. A number of items have been flagged for continuing conversation. I know John sent a note to the Board. We can continue those conversations as well, but today's action is just simply to acknowledge and approve the survey results.

CHAIRMAN BERNARDO: Thank you, Stacey? Mayor?

MR. BUCCI: Yeah. We moved it forward as a motion to approve.

CHAIRMAN BERNARDO: Thank you, Mayor. Is there a second?

MR. PEDUTO: Jim.

CHAIRMAN BERNARDO: Jim, we'll take your second.

MR. PEDUTO: Thanks.

CHAIRMAN BERNARDO: Any discussion? Hearing none, we'll have a vote. All those in favor say aye.

ALL: Aye.

CHAIRMAN BERNARDO: Any opposed? Nobody can back off on that one. Item No. 10, Resolution Approving 2021 Mission and Measurement Report. Stacey?

MS. DUNCAN: Yes. This is a requirement of New York State. This document, we do an update on an annual basis. It's a staff review of performance against mission and performance objectives. Once approved, this will be posted per New York

State on our website. This serves for the fiscal year of December 31, 2021, so it's a review of last year's performance and as such identifies 2022 performance goals. The purpose of today is to approve this for posting on the website.

CHAIRMAN BERNARDO: Thank you, Stacey. Mayor?

MR. BUCCI: We moved it forward as a motion to approve.

CHAIRMAN BERNARDO: Thank you, Mayor. Is there a second?

MR. CROCKER: I'll second.

CHAIRMAN BERNARDO: Thanks, Dan. Any discussion? Looking for a vote. All those in favor say aye.

ALL: Aye.

CHAIRMAN BERNARDO: Any opposed? Any abstentions? Item No. 11, Resolution to Approve the Readoption of the Agency's Bylaws and Policies and Procedures: Code of Ethics Policy, Whistleblower Protection Policy, Defense and Indemnification Policy, Compensation, Reimbursement, and Attendance Policy, and Travel Policy with no changes. Stacey?

MS. DUNCAN: Really nothing to add. It's an annual review of our policies done by staff to recommend changes if necessary. We currently do not have any changes to recommend.

CHAIRMAN BERNARDO: Thank you, Stacey. Mayor?

MR. BUCCI: We moved it forward as a motion to approve.

CHAIRMAN BERNARDO: Thank you. Is there a second?

MR. CROCKER: Second.

CHAIRMAN BERNARDO: Thank you, Dan. Any discussion? Let's have a vote. All those in favor say aye.

ALL: Aye.

CHAIRMAN BERNARDO: Any opposed? Carried. Item No. 12, Executive Session. Is that in the right order? Yes?

MS. DUNCAN: Yes. It is. Well, we did have an action out of Governance on Item No. 13. I guess I would ask Chairman Bucci, do want to discuss? We could go into Executive if additional Board members have any questions.

CHAIRMAN BERNARDO: No. 13.

MR. BUCCI: Do you have anything else for Executive Session besides this?

MS. DUNCAN: Just a discussion on a potential land purchase by the IDA.

MR. BUCCI: You could go do this one now.

CHAIRMAN BERNARDO: Let's do that. Let's skip 12 for a second and move on to 13. We're kind of winging this as we go on the resolutions, so Resolution Authorizing an Option to Sell the Property Located at 11 Court Street in the City of Binghamton, Broome County, New York, to Boscov's for a Period of Two Years for \$1 per year.

MR. MEAGHER: It's an option to purchase, not to sell.

CHAIRMAN BERNARDO: I'm sorry. An option to purchase. I screwed up the wording, so with that in mind, Mayor, would you take us through that?

MR. BUCCI: Yes. I don't know if Mayor Kraham is on the line, but in essence, as 2021 was coming to a close and there was action with the demolition of the parking ramp, there was a lot of discussion between the City of Binghamton and Boscov's about their future downtown. Obviously, they were concerned about parking and so forth. A lot of those issues were addressed, but in the course of that discussion, Boscov's sent a letter to the City of Binghamton, which I think Stacey sent out to everyone, where Boscov's basically said that although they had been seeking State funding for enhancing the store, that that did not come to fruition.

So now they're moving on, exploring investing their own funds into upgrading the store, and they're looking for a two-year option to explore the possibility of putting that financing together. What came to Governance was an option to purchase for two years for \$1 a year. We discussed that in Governance, and we move that forward as a motion to approve.

CHAIRMAN BERNARDO: Okay. Is there a second to that motion?

MR. CROCKER: I'll second it.

CHAIRMAN BERNARDO: Dan, thank you. Discussion? Hello, Mayor. Thanks for joining us.

MAYOR KRAHAM: Hi there.

CHAIRMAN BERNARDO: Would you care to add anything to that?

MAYOR KRAHAM: No, I think Mayor Bucci summarized it well and look forward to the Agency's support. I think that the two years will allow the store to do some due diligence, apply for financing and other incentives from the State assuming the transfer, so I thank the Agency for their consideration.

CHAIRMAN BERNARDO: Mayor, thank you. Any additional discussion or questions for Stacey or the Mayor while we have him?

MR. BUCCI: I think the last point from Boscov's point of view was having some legal access to the property gave them better leverage to get financing. That was kind of the underpinning of the whole option process.

CHAIRMAN BERNARDO: Makes perfect sense. With that in mind, let's have a vote. All those in favor say aye.

ALL: Aye.

CHAIRMAN BERNARDO: Any opposed? Any abstentions?
Carried.

MAYOR KRAHAM: Thank you.

CHAIRMAN BERNARDO: Of course. Going back to Item No. 12, looking for a motion to go into Executive Session relative to the purchase of real property, I believe.

STACEY: Yes.

MR. CROCKER: Motion.

CHAIRMAN BERNARDO: Dan, thank you. Again, all those in favor say aye.

ALL: Aye.

CHAIRMAN BERNARDO: Any opposed? We are moving into Executive Session.

STACEY: Thank you.

(OFF THE RECORD)

CHAIRMAN BERNARDO: We are back in regular session. Any old business to cover? Okay, looking for a motion to adjourn.

[The meeting was adjourned on a motion by Mr. Gates, seconded by Mr. Crocker, at 12:49PM.]

[Attendees: John Bernardo, Rich Bucci, Jim Peduto, Cheryl Sacco, Dan Crocker, Dan Gates, Stacey Duncan, Carrie Hornbeck, Brendan O'Bryan, Theresa Ryan, Amy Williamson, Patrick Doyle, Joe Meagher, Mayor Meaney, Michael Tanzini, Jim Ehmke, Brenda Lehtonen, Mayor Kraham, Bob Joseph.]

C E R T I F I C A T E

I, Elana Hulsey, certify that the foregoing transcript of the Broome County Industrial Development Agency Board Meeting on February 16, 2022, was prepared using digital transcription

software and is a true and accurate record of the proceedings.

Signature: _____

Date: February 19, 2022

Broome County IDA
Internal Financial Status Reports
February 28, 2022

Broome County IDA
Financial Statements vs. Budget
Month Ended 02/28/22

Month # -> 2

	2022 Approved Budget	Actual YTD thru 2/28/22	Budgeted YTD thru 2/28/22	Variance
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INCOME:

A) Land/Building Income:

Bluestone	94,058	-	15,676	(15,676)
ADEC Mortgage	58,838	9,806	9,806	-
Canopy	100,000	-	16,667	(16,667)
FIVE South College Drive Tenant Leases	80,400	13,833	13,400	433
Miscellaneous Income	10,000	3,857	1,667	2,191
Solar City	5,000	-	833	(833)
Spark JC, LLC	115,499	100,000	19,250	80,750
Subtotal	463,795	127,497	77,299	50,198

B) BCIDA Fees:

IRB/Sale Leasback Fees	715,000	7,000	119,167	(112,167)
Loan Fund Administration	35,000		5,833	(5,833)
Subtotal	750,000	7,000	125,000	(118,000)

C) Other Income:

Bank Interest	90,000	17,564	15,000	2,564
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TOTAL INCOME

\$ 1,303,795	\$ 152,061	\$ 217,299	\$ (65,238)
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EXPENSES:

A) Administration:

Salaries	\$ 487,520	\$ 78,497	\$ 81,253	\$ 2,756
Benefits	213,074	35,458	35,512	55
Professional Service Contracts	40,000	5,000	6,667	1,667
Payroll Administration	2,000	402	333	(69)
Investment Management	20,000	1,768	3,333	1,565
Subtotal	762,594	121,125	127,099	5,974

B) Office Expense:

Postage	2,000	721	333	(387)
Telephone/Internet Service	6,000	811	1,000	189
Equipment & Service/Repair Contracts	12,000	2,562	2,000	(562)
Supplies	7,000	2,853	1,167	(1,687)
Travel/Transportation	16,000	1,231	2,667	1,436
Meetings	14,000	2,824	2,333	(491)
Training/Professional Development	13,000	8,892	2,167	(6,725)
Membership/Dues/Subscriptions	7,000	4,709	1,167	(3,542)
Audit	8,500	6,000	1,417	(4,583)
Legal	70,000	-	11,667	11,667
Insurance (Agency, Director & Officers)	17,000	16,955	2,833	(14,122)
Contingency	5,000	619	833	214
Subtotal	177,500	48,176	29,583	(18,593)

Broome County IDA
Financial Statements vs. Budget
Month Ended 02/28/22

Month # -> 2

	2022 Approved Budget	Actual YTD thru 2/28/22	Budgeted YTD thru 2/28/22	Variance
C) Business Development:				
Advertising	112,000	27,633	18,667	(8,966)
Printing & Publishing	15,000	-	2,500	2,500
Public Relations Contract	40,000	6,399	6,667	268
Subtotal	167,000	34,032	27,833	(6,199)

D) FIVE South College Drive Expenses	80,400	16,502	13,400	(3,102)
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E) Building/Property Maintenance:

Broome Corporate Park

Maintenance - Mowing/Snowplowing	8,000	-	1,333	1,333
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600 Main Street

Maintenance - Mowing/Snowplowing	14,000	8,275	2,333	(5,942)
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Subtotal	22,000	8,275	3,667	(4,608)
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TOTAL EXPENSES	\$ 1,209,494	\$ 228,110	\$ 201,582	\$ (26,528)
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OPERATING INCOME	\$ 94,301	\$ (76,049)	\$ 15,717	\$ (91,766)
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Projected Capital Expenditures

	Approved Budget	Actual Expenditure To Date
IDA Capital Expenditures	\$ 3,000,000	\$ 1,725

Broome County IDA
Summary of Bank Deposits and Investments

	Account	Month End Balance	Statement Date	Rate
Cash & Bank Deposits				
	Petty Cash	100.00	2/28/2022	
	NBT BCIDA Checking	242,542.26	2/28/2022	0.00%
	NBT BCIDA Money Market	3,277,230.27	2/28/2022	0.1000%
	Total Cash & Bank Deposits	<u>3,519,872.53</u>		
Portfolio Investment Accounts				
	Cash & Equivalents	-	2/28/2022	
	NBT Transition Account	11,025.68	2/28/2022	0.0500%
	CDs & Time Deposits		2/28/2022	
	US Treasury Bonds & Notes	7,327,886.65	2/28/2022	0.91%
	Total Portfolio Value	<u>7,338,912.33</u>		
	Total Cash, Bank Deposit Accounts & Investments	<u><u>10,858,784.86</u></u>		
Loan Funds				
STEED				
	Petty Cash	100.00	2/28/2022	
	NBT STEED Checking	64,188.20	2/28/2022	0.00%
	NBT STEED Money Market	181,629.41	2/28/2022	0.0500%
	Total STEED	<u>245,917.61</u>		
BDF				
	NBT BDF Checking	126.33	2/28/2022	0.00%
	NBT BDF Money Market	506,393.33	2/28/2022	0.0500%
	Total BDF	<u>506,519.66</u>		
	Total Loan Funds	<u><u>752,437.27</u></u>		
	Total Combined Funds	11,611,222.13		

**Broome County IDA
Account Receivables**

BCIDA Notes Receivable	Beginning Balance	Interest Rate	Total Principal Payments as of 2/28/2022	Total Interest Payments 2/28/2022	Outstanding Balance as of 2/28/2022	Status	Comments
ADEC 8/5/2015	710,000.00	3.0%	257,692.88	110,041.87	452,307.12	Current	Mortgage Agreement Monthly Payment \$4,903.13
Broome County - Solar City 8/15/2016	100,000.00	0.0%	25,000.00	-	75,000.00	Current	Land Lease Annual Payment \$5,000
Precium Holdings - Charles St. 5/23/2017	80,000.00	3.0%	14,627.89	10,218.19	65,372.11	Current	Land Sale Monthly Payment \$443.68

Steed Loan Status

BORROWER	Opening Balance	Current Balance	Maturity Date	Status
Start Here	1/1/2022	2/28/2022		2/28/2022
17 Kentucky Ave., LLC	182,930.43	180,665.58	1/1/2033	Current
20 Delaware Ave, LLC	72,286.72	68,813.50	1/1/2025	Current
Airport Inn Restaurant, LLC	31,693.35	30,581.93	6/1/2026	Current
Alice's Closet	25,000.00	25,000.00	7/1/2026	60 Days
Bernice Brews, LLC (Marshall McMurray)	9,371.49	9,055.26	8/1/2026	Current
Better Offer Properties, LLC	22,617.10	21,201.55	3/1/2024	Current
BrightDrive, HCS, LLC	58,118.36	56,228.87	10/1/2026	Current
Bryant Heating & Air	66,724.82	64,338.26	5/1/2026	Current
Concept Systems	23,871.60	20,253.45	10/1/2022	Current
DGC Jewelers, Inc.	13,582.88	13,106.56	6/1/2026	Current
Daniel Liburdi	15,393.90	14,854.06	6/1/2026	Current
Denise O'Donnell	10,000.00	10,000.00	6/1/2026	Current
F.A. Guernsey, Co., Inc.	118,273.72	118,273.72	6/1/2024	Bankruptcy
Fuller Holding Company, LLC	146,897.62	145,429.02	2/1/2035	Current
Highland Hollow Farm, LLC	49,216.80	47,645.50	11/1/2026	Current
Integrated Wood Components, Inc.	100,000.00	100,000.00	9/1/2026	Current
Melissa Beers	22,241.63	21,446.12	5/1/2026	Current
Mountain Fresh Dairy	92,416.06	92,416.06	12/1/2021	Litigation
Odyssey Semiconductor Technology	93,714.76	90,552.47	8/1/2026	Current
Prepared Power (Sabato)	53,788.15	53,412.28	10/1/2033	Current
Paulus Development Company, LLC	214,455.74	210,631.82	6/1/2030	Current
Roberts Stone	11,180.85	8,002.81	7/1/2022	Current
Sirgany Eyecare	21,676.46	15,518.53	4/1/2022	Current
SpecOp Tactical Center	70,453.61	70,453.61	5/1/2024	Litigation
T-Squared Custom Millwork, Inc.	18,014.04	16,890.04	4/1/2024	Current
ZDD LLC, DBA The Shop	40,000.00	40,000.00	2/1/2027	Current
TOTAL	1,583,920.09	1,544,771.00		

Business Development Fund Status

BORROWER	Opening Balance 1/1/2022	Current Balance 2/28/2022	Maturity Date	Status 2/28/2022
20 Delaware Ave., LLC	70,480.04	67,093.66	1/1/2025	Current
24 Charlotte Street, LLC	100,000.00	98,433.59	1/1/2027	Current
250 Main Street, LLC	46,599.69	46,303.88	10/1/2029	Current
265 Main St, LLC	134,001.00	133,058.37	9/1/2033	Current
Roberts Stone	7,304.00	5,228.04	7/1/2022	Current
SpecOp Tactical Center	74,856.90	74,856.90	5/1/2024	Litigation
Total	433,241.63	424,974.44		

BR+E Loan Status

BORROWER	Opening Balance 1/1/2022	Current Balance 2/28/2022	Maturity Date	Status 2/28/2022
24 Charlotte Street, LLC	50,000.00	49,216.80	1/1/2027	Current
250 Main Street, LLC	46,599.69	46,303.88	10/1/2029	Current
265 Main St, LLC	44,667.11	44,352.90	9/1/2033	Current
Antonio's Bar & Trattoria, LLC	25,000.00	25,000.00	3/1/2027	Current
Gordon Dusingberre, DBA Northside Auto	24,215.99	23,428.71	10/1/2026	Current
Grow Hemp, LLC	39,330.62	-	11/1/2025	Paid Off
Prepared Power	44,823.48	44,510.25	10/1/2033	Current
Total	178,037.20	232,812.54		

Loan Delinquency Status

STEED

Alice's Closet
F. A. Guernsey
Mountain Fresh Dairy
SpecOp Tactical

Litigation
Bankruptcy
Litigation
Litigation

BDF

SpecOp Tactical

Litigation

**BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY
LOAN FUNDS ACTIVITY AS OF
February 28, 2022**

STEED ACCOUNT BALANCE: \$ 245,817.61

Amount held at ARC in Washington, DC \$ -

LOAN COMMITMENTS

Commitment Date Expiration Date

Total STEED Loans Commitments

Available to Lend \$ 245,817.61

BDF ACCOUNT BALANCE: \$ 506,519.66

LOAN COMMITMENTS

Commitment Date Expiration Date

Total BDF Loan Commitments \$ -

Available to Lend \$ 506,519.66

BR+E \$ 67,187.46

LOAN COMMITMENTS

Commitment Date Expiration Date

Total BRE Loan Commitments \$ -

Available to Lend \$ 67,187.46

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

Binghamton, New York

EXECUTIVE SUMMARY

**For the Year Ended
December 31, 2021**

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

EXECUTIVE SUMMARY OF 2021 AUDIT REPORT AND FINDINGS

Basic Financial Statements

Independent Auditors' Report on Basic
Financial Statements

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

Description of Report and Findings

Unmodified opinion on the Broome County Industrial
Development Agency's (the Agency) basic financial
statements for the year ended December 31, 2021.

Unmodified opinion on the Broome County Local
Development Corporation's (the Corporation) basic
financial statements for the year ended December 31, 2021.

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

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

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

EXECUTIVE SUMMARY OF 2021 AUDIT REPORT AND FINDINGS

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

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

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

Management Comment Letter

The Agency: Letter of comments dated _____, 2022 that communicates no significant deficiencies or material weaknesses have been reported.

The Corporation: Letter of comments dated _____, 2022 that communicates no significant deficiencies or material weaknesses have been reported.

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY AND LOCAL DEVELOPMENT CORPORATION

FIVE YEAR FINANCIAL STATEMENT ANALYSIS

	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017
INDUSTRIAL DEVELOPMENT AGENCY					
ASSETS					
Cash and Cash Equivalents - Unrestricted	\$ 3,887,351	\$ 785,786	\$ 671,806	\$ 821,729	\$ 2,513,915
Cash and Cash Equivalents - Restricted	697,973	480,959	1,005,843	621,416	596,154
Investments	7,072,129	7,132,513	6,897,363	7,053,674	4,474,448
Accounts Receivable	133,557	135,409	52,500	-	174,225
Pass Through Receivable	6,686	6,686	12,464	79,938	-
Prepaid Expenses	25,000	-	-	-	-
Due from County	75,000	80,000	285,700	322,542	327,542
Due from Binghamton Local Development Corp.	551,342	551,342	385,000	-	-
Notes Receivable	953,724	1,098,043	1,530,422	578,577	619,391
Loans Receivable	2,291,800	2,423,998	1,777,902	2,078,542	1,965,642
Mortgage Receivable	65,931	3,219,297	3,222,492	3,246,654	3,324,296
Property Held for Resale	2,097,017	2,097,017	2,097,017	3,908,116	3,787,533
Capital Assets, Net	6,835,066	6,961,571	7,915,531	9,972,433	10,175,046
Total Assets	\$ 24,692,576	\$ 24,972,621	\$ 25,854,040	\$ 28,683,621	\$ 27,958,192
LIABILITIES					
Accounts Payable, Accrued Expenses, and Other	\$ 36,360	\$ 28,820	\$ 77,357	\$ 58,635	\$ 44,641
NET POSITION					
Net Investment in Capital Assets	6,835,066	6,961,571	7,915,531	9,972,433	10,175,046
Restricted for Loans	2,856,612	2,588,846	2,544,862	2,845,902	2,561,815
Unrestricted	15,164,538	15,393,384	15,316,290	15,806,651	15,176,690
Total Net Position	24,656,216	24,943,801	25,776,683	28,624,986	27,913,551
Total Liabilities and Net Position	\$ 24,692,576	\$ 24,972,621	\$ 25,854,040	\$ 28,683,621	\$ 27,958,192
LOCAL DEVELOPMENT CORPORATION					
ASSETS					
Cash and Cash Equivalents - Unrestricted	\$ 669,168	\$ 420,879	\$ 114,269	\$ 148,862	\$ 177,434
Accounts Receivable	75,000	75,000	75,000	-	-
Total Assets	\$ 744,168	\$ 495,879	\$ 189,269	\$ 148,862	\$ 177,434
LIABILITIES					
Unearned Revenue and Accounts Payable	\$ 3,412	\$ 10,300	\$ 3,700	\$ 9,394	\$ 53,450
NET POSITION					
Unrestricted	740,756	485,579	185,569	139,468	123,984
Total Net Position	740,756	485,579	185,569	139,468	123,984
Total Liabilities and Net Position	\$ 744,168	\$ 495,879	\$ 189,269	\$ 148,862	\$ 177,434

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

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

FIVE YEAR FINANCIAL STATEMENT ANALYSIS

	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017
INDUSTRIAL DEVELOPMENT AGENCY					
REVENUES					
Fee Income	\$ 709,685	\$ 631,069	\$ 1,128,390	\$ 848,571	\$ 939,807
Rental Income	83,600	86,100	98,612	90,598	883,724
Other Income	68,367	84,165	64,195	88,954	32,892
State Grant	-	-	-	484,194	3,865,806
State Aid	-	-	-	2,000	718,839
Grant Income	11,052	166,668	-	300,000	-
Investment Income	9,608	188,062	267,874	89,314	33,210
Loan Interest Earned	252,094	42,725	61,272	163,138	92,285
Gain (Loss) on Sale of Assets	(15,931)	(638,282)	(3,082,597)	1,908	1,923,402
Total Revenues	1,118,475	569,587	(1,462,254)	2,068,677	8,489,965
EXPENSES					
Rental Expense	-	-	-	-	474,946
Salaries and Benefits	615,183	614,052	666,583	662,781	597,650
Depreciation Expense	138,766	137,370	227,941	226,549	132,571
Professional Fees	180,937	196,498	139,148	98,682	175,217
Office Expense	35,383	36,628	59,764	51,218	101,149
Grant Expense	-	100,000	-	-	-
Multi-Modal Expenses	-	-	-	2,000	621,901
Other Expenses	435,791	308,849	292,613	316,012	550,828
Total Expenses	1,406,060	1,393,389	1,386,049	1,357,242	2,654,262
Change in Net Position	\$ (287,585)	\$ (832,882)	\$ (2,848,303)	\$ 711,435	\$ 5,835,703
LOCAL DEVELOPMENT CORPORATION					
REVENUES					
Fee Income	\$ 256,600	\$ 374,675	\$ 175,175	\$ 24,675	\$ 23,675
Other Income	200,020	75,000	83,177	174,950	1,491
Total Revenues	456,620	449,675	258,352	199,625	25,166
EXPENSES					
Sponsorship Expenses	68,970	119,665	148,641	152,239	60,805
General and Administrative Expenses	32,128	30,000	63,610	31,902	8,050
In-Kind Expenses	100,345	-	-	-	-
Total Expenses	201,443	149,665	212,251	184,141	68,855
Change in Net Position	\$ 255,177	\$ 300,010	\$ 46,101	\$ 15,484	\$ (43,689)

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

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

FIVE YEAR FINANCIAL STATEMENT ANALYSIS

	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017
Cash Flows From Operating Activities					
Cash Received from Providing Services	\$ 790,956	\$ 1,204,771	\$ 196,231	\$ 1,033,812	\$ 1,819,421
Cash Payments - Salaries Expense	(615,183)	(614,052)	(666,583)	(662,781)	(597,650)
Cash Payments - Contractual Expenses	(644,571)	(690,504)	(455,375)	(453,918)	(1,916,972)
Net Cash Provided (Used) by Operating Activities	(468,798)	(99,785)	(925,727)	(82,887)	(695,201)
Cash Flows From Non-Capital Financing Activities					
Principal Payments from County	5,000	205,700	36,842	5,000	12,070
Net Cash Provided (Used) by Non-Capital Financing Activities	5,000	205,700	36,842	5,000	12,070
Cash Flows From Capital and Related Financing Activities					
Grant Revenue	-	-	-	784,194	3,865,806
Sale of Capital Assets	-	185,508	435,000	-	-
Sale (Purchase) of Property Held for Resale	-	-	125,000	(120,583)	-
Purchase of Capital Assets	(12,261)	(7,200)	(8,723)	(23,936)	(3,499,227)
Net Cash Provided (Used) by Capital and Related	(12,261)	178,308	551,277	639,675	366,579
Cash Flows From Investing Activities					
Principal Payments on Notes Receivable	144,319	32,379	42,055	40,814	142,944
Principal Payments on Loans Receivable	347,198	293,504	400,640	577,100	407,915
New Loans Issued	(215,000)	(939,600)	(485,000)	(690,000)	(804,500)
New Loans Issued - Binghamton LDC	-	(166,342)	-	-	-
Mortgage Payments Received	3,153,366	3,195	24,162	77,642	31,480
Investment Income	1,608	188,062	274,060	91,222	33,210
Purchase of Investments	(4,178,167)	(3,283,622)	(984,269)	(3,384,384)	-
Sale of Investments	4,197,620	3,048,472	1,140,580	805,158	-
Interest Income Received	252,094	42,725	61,272	163,138	72,822
Rental Income Received	83,600	86,100	98,612	90,598	883,724
Net Cash Provided (Used) by Investing Activities	3,794,638	(695,127)	572,112	(2,228,712)	(116,129)
Net Change in Cash and Cash Equivalents	3,318,579	(410,904)	234,504	(1,666,924)	451,043
Cash and Cash Equivalents, Beginning of Year	1,266,745	1,677,649	1,443,145	3,110,069	2,659,026
Cash and Cash Equivalents, End of Year	\$ 4,585,324	\$ 1,266,745	\$ 1,677,649	\$ 1,443,145	\$ 3,110,069
Reconciliation of Net Operating Gain (Loss) to					
Net Cash Provided (Used) by Operating Activities:					
Operating (Loss) Gain	\$ (616,956)	\$ (511,487)	\$ (193,464)	\$ (417,717)	\$ (962,724)
Gain to Net Cash Provided by Operating Activities:					
Depreciation	138,766	137,370	227,941	226,549	132,571
(Increase) Decrease in Accounts Receivable	1,852	(82,909)	(52,500)	174,225	160,775
(Increase) Decrease in Notes Receivable	-	400,000	(993,900)	-	-
Increase (Decrease) in Prepaid Expenses	-	5,778	43,226	(79,938)	-
Increase (Decrease) in Accounts Payable	7,540	(48,537)	60,398	13,994	7,069
Increase (Decrease) in Unearned Revenue	-	-	(17,428)	-	(32,892)
Net Cash Provided (Used) by Operating Activities	\$ (468,798)	\$ (99,785)	\$ (925,727)	\$ (82,887)	\$ (695,201)

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

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

EXECUTIVE SUMMARY OF 2021 AUDIT

AUDIT FOCUS: REPORTING OBJECTIVES

1) Basic Financial Statements

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

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

AUDIT APPROACH

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

UNDERSTANDING THE AGENCY'S OPERATIONS

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

FACTORS AFFECTING THE SCOPE OF THE AUDIT

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

MANAGEMENT COMMENT LETTER

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

In planning and performing our audit of the financial statements of Broome County Industrial Development Agency (the Agency), as of and for the year ended December 31, 2021, in accordance with auditing standards generally accepted in the United States of America, we considered the Agency's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

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

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

DISCUSSION ITEMS

Impact of Future Standards of the Governmental Accounting Standards Board (GASB)

The Agency is in the process of assessing the future effects of each of the following:

- GASB has issued Statement No. 87, "Leases," effective for the year ending December 31, 2022.
- GASB has issued Statement No. 89, "Accounting for Interest Cost Incurred Before the End of a Construction Period," effective for the year ending December 31, 2022.
- GASB has issued Statement No. 91, "Conduit Debt Obligations," effective for the year ending December 31, 2022.

- GASB has issued Statement No. 92, "Omnibus 2020," effective for the year ending December 31, 2022.

Agency management will evaluate the impact each of these pronouncements may have on its financial statements and will implement them as applicable and when material.

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

Respectfully submitted,

Insero & Co. CPAs, LLP
Certified Public Accountants

Ithaca, New York
_____, 2022

DRAFT

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

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

We have audited the financial statements of the Broome County Industrial Development Agency (the Agency), a component unit of the County of Broome, New York, for the year ended December 31, 2021. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated January 4, 2022. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Agency are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2021. We noted no transactions entered into by the Agency during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

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

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

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

The disclosures of investments, loans receivable, notes receivable, and capital assets are presented in Notes 4, 5, 7, and 11 to the financial statements.

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

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

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

Disagreements With Management

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated _____, 2022.

Management Consultations With Other Independent Accountants

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

Other Audit Findings or Issues

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

Other Matters

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

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

Restriction on Use

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

Respectfully submitted,

Insero & Co. CPAs, LLP
Certified Public Accountants

Ithaca, New York
_____, 2022

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Broome County Industrial Development Agency (the Agency), a component unit of the County of Broome, New York, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Agency's financial statements, and have issued our report thereon dated _____, 2022.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

Respectfully submitted,

Insero & Co. CPAs, LLP
Certified Public Accountants

Ithaca, New York
_____, 2022

**BROOME COUNTY
INDUSTRIAL DEVELOPMENT AGENCY**

Binghamton, New York

FINANCIAL REPORT

**For the Year Ended
December 31, 2021**

**BROOME COUNTY
INDUSTRIAL DEVELOPMENT AGENCY**

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INDEPENDENT AUDITORS' REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of Broome County Industrial Development Agency (the Agency), a component unit of the County of Broome, New York, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the Table of Contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Broome County Industrial Development Agency as of December 31, 2021, and the changes in financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Agency, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Agency's basic financial statements. The Schedule of Projects is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the Schedule of Projects is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated _____ 2022, on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Broome County Industrial Development Agency's internal control over financial reporting and compliance.

Respectfully submitted,

Insero & Co. CPAs, LLP
Certified Public Accountants

Ithaca, New York
_____, 2022

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2021

The following Management's Discussion and Analysis (MD&A) provides a comprehensive overview of the Broome County Industrial Development Agency's (the Agency) financial position as of December 31, 2021 and the results of its operations for the year then ended. Management has prepared the financial statements and related footnote disclosures along with this MD&A. The MD&A should be read in conjunction with the audited financial statements and related footnotes of the Agency, which directly follow the MD&A.

FINANCIAL HIGHLIGHTS

- The assets of the Agency exceeded its liabilities at the close of the fiscal year ended December 31, 2021 by \$24,656,216 compared to \$24,943,801 at December 31, 2020.
- Total revenues in 2021 were \$1,118,475 compared to revenues of \$560,507 in 2020. The significant increase is primarily a result of a loss on the sale of property held for sale in 2020 as well as an increase in loan interest earned due to a deferral of interest for COVID-19 relief in 2020.
- Total expenses of \$1,406,060 in 2021 increased by \$12,671 from total expenses of \$1,393,389 in 2020. The increases in expenses is due to an increase in advertising and other administrative expenses offset by a decrease in grant expenses.

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

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

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

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

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2021

FINANCIAL ANALYSIS OF THE AGENCY AS A WHOLE

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

Figure 1

Condensed Statement of Net Position	Total Agency		Total Dollar Change
	2021	2020	
Current Assets:			
Cash and Cash Equivalents - Unrestricted	\$ 3,887,351	\$ 785,786	\$ 3,101,565
Investments	3,045,246	4,151,675	(1,106,429)
Accounts Receivable	133,557	135,409	(1,852)
Pass-Through Receivable	6,686	6,686	-
Prepaid Expenses	25,000	-	25,000
Due from County - Current Portion	5,000	5,000	-
Notes Receivable - Current Portion	145,667	144,319	1,348
Loans Receivable - Current Portion	347,427	279,110	68,317
Mortgage Receivable - Current Portion	3,401	135,145	(131,744)
Total Current Assets	7,599,335	5,643,130	1,956,205
Non-Current Assets:			
Cash and Cash Equivalents - Restricted	697,973	480,959	217,014
Investments	4,026,883	2,980,838	1,046,045
Notes Receivable - Non-Current Portion	808,057	953,724	(145,667)
Loans Receivable - Non-Current Portion	1,944,373	2,144,888	(200,515)
Mortgage Receivable - Non-Current Portion	62,530	3,084,152	(3,021,622)
Due from County - Non-Current Portion	70,000	75,000	(5,000)
Due from Binghamton Local Development Corp.	551,342	551,342	-
Property Held for Resale	2,097,017	2,097,017	-
Capital Assets, Net	6,835,066	6,961,571	(126,505)
Total Assets	24,692,576	24,972,621	(280,045)
Current Liabilities:			
Accounts Payable and Accrued Expenses	28,716	21,176	7,540
Unearned Revenue	6,803	6,803	-
Security Deposits	841	841	-
Total Liabilities	36,360	28,820	7,540
Net Position:			
Net Investment in Capital Assets	6,835,066	6,961,571	(126,505)
Restricted for Loans	2,656,612	2,588,846	67,766
Unrestricted	15,164,538	15,393,384	(228,846)
Total Net Position	\$ 24,656,216	\$ 24,943,801	\$ (287,585)

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2021

Total assets decreased 1.12%. The largest change is due to the payoff of a mortgage receivable of over \$3,000,000, which resulted in an increase in cash and cash equivalents. Total liabilities increased 26.16%. This change is due to an increase in accounts payable.

Total net position decreased 1.15% due to expenses over revenue.

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

Figure 2

Changes in Net Position	Total Agency		Total Dollar Change
	2021	2020	
Operating Revenues:			
<i>Fee Income</i>	\$ 709,685	\$ 631,069	\$ 78,616
<i>Grant Income</i>	11,052	166,668	(155,616)
<i>Other Income</i>	68,367	84,165	(15,798)
Non-Operating Revenues:			
<i>Investment Income</i>	9,608	188,062	(178,454)
<i>Gain (Loss) on Sale of Assets</i>	(15,931)	(638,282)	622,351
<i>Loan Interest Earned</i>	252,094	42,725	209,369
<i>Rental Income</i>	83,600	86,100	(2,500)
Total Revenues	\$ 1,118,475	\$ 560,507	\$ 557,968
Operating Expenses:			
<i>Salaries and Benefits Expense</i>	\$ 615,183	\$ 614,052	\$ 1,131
<i>Depreciation Expense</i>	138,766	137,370	1,396
<i>Professional Fees</i>	180,937	196,490	(15,553)
<i>Office Expense</i>	35,383	36,628	(1,245)
<i>Grant Expense</i>	-	100,000	(100,000)
<i>Other Expenses</i>	435,791	308,849	126,942
Total Expenses	\$ 1,406,060	\$ 1,393,389	\$ 12,671
CHANGE IN NET POSITION	\$ (287,585)	\$ (832,882)	\$ 545,297

Total revenue increased 99.55% from the prior year. This increase stems from a smaller loss on sale of assets in comparison to prior year offset by decreases in investment and grant income. Fee income fluctuates from year to year depending on the number and size of new projects closed during the year.

Total expenses increased .91% from the prior year. The increase in expenses is attributable to increases in advertising and other administrative expenses offset by a decrease in grant expenses.

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2021

CAPITAL ASSETS

At December 31, 2021, the Agency had invested in a broad range of capital assets totaling \$7,441,823 offset by accumulated depreciation of \$606,757. *Figure 3* shows the changes in the Agency's capital assets.

Figure 3

<i>Changes in Capital Assets</i>	<i>Total Agency</i>		<i>Total Dollar Change</i>
	<i>2021</i>	<i>2020</i>	
<i>Land</i>	\$ 2,101,573	\$ 2,101,573	\$ -
<i>Buildings and Improvements, Net</i>	4,710,470	4,846,292	(135,822)
<i>Equipment, Net</i>	23,023	13,706	9,317
<i>Totals</i>	\$ 6,835,066	\$ 6,961,571	\$ (126,505)

Capital assets, net, decreased 1.82%. This decrease is attributed to the depreciation of the Agency's various assets of \$138,766, offset by equipment additions of \$12,261.

FACTORS BEARING ON THE AGENCY'S FUTURE

- The Agency updated its Action Plan for 2021-2025. The Action Plan outlined five strategic priorities: workforce and talent attraction, advancing the "iDistricts" in Binghamton, Johnson City and Endicott, reducing the impact of development barriers, implementing a comprehensive business and recruitment strategy and strengthening the capacity of the Agency. The vision of the Agency remains the same: To be recognized as the lead economic development organization in Broome County.
- The Agency will continue to be an active participant in the County-wide workforce talent attraction committee.
- The Board of Directors and staff began discussions on the implementation of a strategy to address the lack of sufficient housing for young professionals and the need for development of additional market rate housing. The Agency is in the process of updating our 2017 Housing Study and will use the new study to address and measure our housing needs.
- During 2021 the Agency closed on a number of projects including the E.J. Victory Building rehabilitation in Johnson City, the Sam A. Lupo And Sons Expansion and the Bluestone Wind Farm Project.
- The Agency has also sent a Request for Expression of Interest, regarding 600 Main Street, Johnson City, out to the development community with mixed responses. Two serious inquiries were received and a presentation for one was made. The feasibility study suggested the construction of a mixed use (commercial and residential) facility, and none of the current proposals fulfill that suggestion. The Agency is currently considering proposals.

**BROOME COUNTY
INDUSTRIAL DEVELOPMENT AGENCY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021**

- In light of the COVID-19 pandemic the landscape of economic development is uncertain; however, we continue to move forward assisting our local businesses and to developers remain successful through this difficult time.

CONTACTING THE AGENCY'S FINANCIAL MANAGEMENT

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

DRAFT

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

STATEMENT OF NET POSITION DECEMBER 31, 2021

ASSETS

Current Assets

Cash and Cash Equivalents - Unrestricted	\$ 3,887,351
Investments	3,045,246
Accounts Receivable	133,557
Pass-Through Receivable	6,686
Prepaid Expenses	25,000
Due from County - Current Portion	5,000
Notes Receivable - Current Portion	145,667
Loans Receivable - Current Portion	347,427
Mortgage Receivable - Current Portion	3,401
Total Current Assets	<u><u>7,599,335</u></u>

Non-Current Assets

Cash and Cash Equivalents - Restricted	697,973
Investments	4,026,883
Notes Receivable - Non-Current Portion	808,057
Loans Receivable, Net - Non-Current Portion	1,944,373
Mortgage Receivable - Non-Current Portion	62,530
Due from County - Non-Current Portion	70,000
Due from Binghamton Local Development Corporation	551,342
Property Held for Resale	2,097,017
Non-Depreciable Capital Assets	2,101,573
Depreciable Capital Assets, Net	4,733,493
Total Non-Current Assets	<u><u>17,093,241</u></u>

Total Assets	<u><u>\$ 24,692,576</u></u>
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LIABILITIES AND NET POSITION

LIABILITIES

Current Liabilities

Accounts Payable and Accrued Expenses	\$ 28,716
Unearned Revenue	6,803
Security Deposits	841

Total Liabilities	<u><u>36,360</u></u>
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NET POSITION

Net Investment in Capital Assets	6,835,066
Restricted for Loans	2,656,612
Unrestricted	15,164,538

Total Net Position	<u><u>24,656,216</u></u>
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Total Liabilities and Net Position	<u><u>\$ 24,692,576</u></u>
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See Notes to Financial Statements

BROOME COUNTY

INDUSTRIAL DEVELOPMENT AGENCY

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION FOR THE YEAR ENDED DECEMBER 31, 2021

Operating Revenues	
Fee Income	\$ 709,685
Grant Income	11,052
Other Income	<u>68,367</u>
Total Operating Revenues	<u>789,104</u>
Operating Expenses	
Salaries and Benefits	615,183
Depreciation Expense	138,766
Professional Fees	180,937
Office Expense	35,383
Other Administrative Expenses	169,773
Marketing Initiative Expenses	133,229
Insurance	15,721
Repairs, Maintenance, and General	91,628
Professional Development Expense	18,076
Broome County Corporate Park Maintenance	<u>7,364</u>
Total Operating Expenses	<u>1,406,060</u>
Operating Income (Loss)	<u>(616,956)</u>
Non-Operating Revenues	
Investment Income	9,608
Gain (Loss) on Sale of Assets	(15,931)
Loan Interest Earned	252,094
Rental Income	<u>83,600</u>
Total Non-Operating Revenues (Expenses)	<u>329,371</u>
Change in Net Position	(287,585)
Net Position, January 1, 2021	<u>24,943,801</u>
Net Position, December 31, 2021	<u>\$ 24,656,216</u>

See Notes to Financial Statements

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2021

Cash Flows From Operating Activities	
Cash Received from Providing Services	\$ 790,956
Cash Payments - Salaries Expense	(615,183)
Cash Payments - Contractual Expenses	<u>(644,571)</u>
Net Cash Provided (Used) by Operating Activities	<u>(468,798)</u>
Cash Flows From Non-Capital Financing Activities	
Principal Payments from County	<u>5,000</u>
Net Cash Provided (Used) by Non-Capital Financing Activities	<u>5,000</u>
Cash Flows From Capital and Related Financing Activities	
Purchase of Capital Assets	<u>(12,261)</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(12,261)</u>
Cash Flows From Investing Activities	
Principal Payments on Notes Receivable	144,319
Principal Payments on Loans Receivable	347,198
New Loans Issued	(215,000)
Mortgage Payments Received	3,153,366
Purchase of Investments	(4,178,167)
Sale of Investments	4,197,620
Investment Income	9,608
Interest Income Received	252,094
Rental Income Received	<u>83,600</u>
Net Cash Provided (Used) by Investing Activities	<u>3,794,638</u>
Net Change in Cash and Cash Equivalents	3,318,579
Cash and Cash Equivalents, January 1, 2021	<u>1,266,745</u>
Cash and Cash Equivalents, December 31, 2021	<u>\$ 4,585,324</u>
Reconciliation of Net Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Operating Income (Loss)	\$ (616,956)
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Depreciation	138,766
(Increase) Decrease in Accounts Receivable	1,852
Increase (Decrease) in Accounts Payable	<u>7,540</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (468,798)</u>

See Notes to Financial Statements

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2021

Note 1 Summary of Significant Accounting Policies

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

Financial Reporting Entity

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

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

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

Basis of Accounting

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

Cash and Cash Equivalents

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

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2021

Note 1 Summary of Significant Accounting Policies - Continued

Investments

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

Loans Receivable

The Agency acquired funds from the Appalachian Regional Commission in the 1970s to administer the STEED loan fund. This program is considered a revolving loan program as the purpose is to be able to take the repayments of existing loans and loan those funds out to future project applicants. The purpose of these funds is to create economic development in Broome County. A STEED loan cannot be used to finance the costs of an entire project. In addition, the Agency administers business development and business retention and expansion loan funds. The loan program allows for reimbursement of administrative and overhead costs incurred for the program. For the year ended December 31, 2021, the program reimbursed operating expenses of \$40,000.

Allowance for Uncollectible Loans

The Agency follows the policy of evaluating its loans receivable to adequately reserve for anticipated losses. Management believes all loans receivable are deemed collectible; therefore, no reserve for the loans has been established as of December 31, 2021.

Capital Assets

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

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

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

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2021

Note 1 Summary of Significant Accounting Policies - Continued

Equity Classifications

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

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

Fee Income, Grant and Contract Support

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

Non-Operating Revenues

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

Tax-Exempt Bond Transactions

The Agency is an issuer of tax-exempt bond and lease financing for qualified projects. These bonds and leases are the obligation of the borrower. Because the Agency has no obligation to repay the principal and interest of such bonds and leases, they are not reflected as liabilities in the accompanying financial statements. The Agency receives issuance fees from the borrower for providing this service. These fees are recognized immediately upon issuance of the related debt. The Agency did not issue any bonds during 2021, nor were any bonds outstanding as of December 31, 2021.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2021

Note 2 Cash and Cash Equivalents

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

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

Total bank balances of the Agency of \$4,614,650 at December 31, 2021 were covered by FDIC insurance up to \$250,000. As of December 31, 2021, all deposits with financial institutions were either insured or collateralized with securities held by the pledging financial institution in the Agency's name.

Restricted cash of \$697,793 consists of cash for the Agency's STEED and BDF loan funds.

Note 3 Pass-Through Receivable

The Agency has facilitated the receipt of and payment of certain grant funds on behalf of other organizations. As of December 31, 2021, the Agency had a pass-through receivable of \$6,686 due to the timing of repayment to the Agency.

Note 4 Investments

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

The Agency has the following recurring fair value measurements as of December 31, 2021: U.S. Treasury notes of \$7,072,129, ranging in maturities from two to ten years, are valued using quoted market prices (Level 1). Treasury notes that have a maturity greater than one year are classified as noncurrent assets.

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2021

Note 5 Loans Receivable

Loans receivable, net, for the year ended December 31, 2021, is summarized as follows:

	12/31/2021 Development Revolving Loan	STEED	Business Retention and Expansion	Total
Principal Balance at January 1, 2021	\$ 628,422	\$1,587,546	\$ 208,030	\$2,423,998
New Loans	100,000	40,000	75,000	215,000
Principal Repayments	(148,282)	(190,523)	(8,393)	(347,198)
Balance at December 31, 2021	580,140	1,437,023	274,637	2,291,800
Less: Current Portion	(74,447)	(243,454)	(29,526)	(347,427)
Non-Current Portion at December 31, 2021	<u>\$ 505,693</u>	<u>\$1,193,569</u>	<u>\$ 245,111</u>	<u>\$1,944,373</u>

Note 6 Property Held for Resale

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

Note 7 Notes Receivable

Notes receivable are summarized as follows at December 31, 2021:

	Interest Rate	Payment	Maturity	Principal
ADEC Solutions USA, Inc.	12/31/2021	\$4,903 Monthly	8/2030	\$ 459,824
Canopy Growth USA, LLC	0%	\$400,000 to \$93,900 Annually	1/2026	493,900
Balance at December 31, 2021				953,724
Less: Current Portion				(145,667)
Non-Current Portion at December 31, 2021				<u>\$ 808,057</u>

BROOME COUNTY

INDUSTRIAL DEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021

Note 8 Mortgages Receivable

Mortgages receivable are summarized as follows at December 31, 2021:

	<u>Interest Rate</u>	<u>Payment</u>	<u>Maturity</u>	<u>Principal</u>
Precuim Holdings, LLC	3.0%	\$444 Monthly	6/2037	<u>\$ 65,931</u>
Balance at December 31, 2021				65,931
Less: Current Portion				<u>(3,401)</u>
Non-Current Portion at December 31, 2021				<u>\$ 62,530</u>

Note 9 Due From County

During 2016, the County and Agency entered into a purchase agreement of \$100,000 for 20 acres of land in the Broome Corporate Park. The Agency and the County entered into a repayment agreement to repay the amount to the Agency in annual installments of \$5,000 over the next 20 years; commencing August 2017. Due from County totaled \$75,000 at December 31, 2021.

Note 10 Due From Binghamton Local Development Corporation

During the prior year, the Agency entered into an agreement with the Binghamton Local Development Corporation (Binghamton LDC) for the sale of land and building located at 30 Charles Street. The agreement calls for a \$50,000 deposit at closing and payment of \$30,000 per acre when the Binghamton LDC sells the property to a third party. During 2020, the Agency sold the remaining 6.5 of 21 acres to the Binghamton LDC. At December 31, 2021, the total receivable from Binghamton LDC was \$551,342.

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2021

Note 11 Capital Assets

The detail of capital assets, net, at December 31, 2021 is as follows:

	Balance at 12/31/2020	Additions	Disposals/ Reclassifications	Balance at 12/31/2021
Non-Depreciable Capital Assets				
Land	\$2,101,573	\$ -	\$ -	\$2,101,573
Total Non-Depreciable Capital Assets	2,101,573	-	-	2,101,573
Depreciable Capital Assets				
Building and Improvements	5,310,934	-	-	5,310,934
Equipment	17,055	12,261	-	29,316
Total Depreciable Capital Assets	5,327,989	12,261	-	5,340,250
Total Historical Cost	7,429,562	12,261	-	7,441,823
Less Accumulated Depreciation				
Building and Improvements	(464,642)	(135,822)	-	(600,464)
Equipment	(3,349)	(2,944)	-	(6,293)
Total Accumulated Depreciation	(467,991)	(138,766)	-	(606,757)
Capital Assets, Net	<u>\$6,961,571</u>	<u>\$ (126,505)</u>	<u>\$ -</u>	<u>\$6,835,066</u>

Note 12 Commitments and Contingencies

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

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

**BROOME COUNTY
INDUSTRIAL DEVELOPMENT AGENCY**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

Note 13 Tax Abatements

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

In 2021, \$7,517,234 was received in PILOT payments compared to the \$13,841,870 which would have been received if businesses paid the full amount of property taxes; for total property tax abatements totaling \$6,324,636.

In addition to PILOTs above, \$5,027,375 of sales tax and \$2,342,038 of mortgage tax abatements were awarded, for total tax abatements of \$13,694,049.

Note 14 Leases

The Agency, as lessor, has entered into multiple non-cancelable operating leases for space within its office building through September 2022. The agreements call for monthly payments from leases ranging from \$600 to \$4,167. Total receipts under the leases amounted to \$83,600 in 2021.

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

<u>Year</u>	<u>Amount</u>
2022	\$ 43,750
Total	\$ 43,750

Note 15 Related Party

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

Note 16 Economic Uncertainty-COVID-19

In March 2020, the COVID-19 coronavirus outbreak was declared a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate it have had, and are expected to continue to have, an adverse impact on the economies and financial markets of many countries, including the geographical area in which the Agency operates. Although there is still uncertainty, the Agency feels that it will be able to maintain operations in a fiscally sound manner.

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

SCHEDULE OF PROJECTS DECEMBER 31, 2021

Project Name	Exemption Period	Purpose	Sales Tax Cap	Sales Tax Exemptions
159 Washington Street Holdings	2021-2030		\$ 50,000	\$ 17,754
20 Hawley St. - Hawley Street Members	2012-2022	Construction		
265 Industrial Park Drive	2018-2037	Manufacturing		
31 Washington Street Associates (Former Owner Washington Development Assoc.)	2013-2032	Construction		
50 Front Street	2019-2046	Commercial	841,000	
ADEC Solutions	2016-2031	Services		
AOM 128 Grand Ave	2021-2040	Construction	278,400	1,033
Binghamton ASC, LLC	N/A		34,392	27,754
Bluestone Wind, LLC	2022-2041	Construction	8,807,628	4,181,736
Boscov's	N/A			
Broome Culinary	2018-2048	Construction	754,000	
Buckingham Manufacturing	2019-2039	Manufacturing	33,000	
Canopy Growth USA, LLC	2020-2034		3,200,000	
Carrier Services Group	2020-2029	Construction	60,000	
Century Sunrise	2018-2048	Construction	640,000	
Chenango Place - One Wall Street	2014-2024	Construction		
Clover Communities	2012-2022	Construction		
CR Land	2018-2028	Construction	160,000	
Dick's MSC and Expansion	2017-2047	Construction	9,200,000	
E.J. Victory Bldg., LLC	N/A			17,642
Freewheelin ANSCO	2020-2040	Construction	1,200,000	102
GJS Property Group, LLC	N/A		60,000	24,361
Good Shepherd Village	2010-2040	Civic Facility		
Kashou Enterprises	N/A			204,000
L3 Technologies	2021-2037		432,000	
LCP Group Inc.	N/A			3,084
Millennium Pipeline	2009-2024	Construction		
National Pipe & Plastics	N/A		418,000	74,039
Nealon Transportation - KMCC Ventures	2017-2033	Transportation		
One North Depot	N/A		360,000	
Ophthalmic Associates of S.T.	N/A		45,145	19,448
Pacemaker Steel	2017-2032	Manufacturing		
Printing House - Chenango Empire	2016-2026	Construction		
Prichard Properties	N/A			47,715
Sam A. Lupo & Sons, Inc. (SSE3, LLC)	2021-2035	Manufacturing	65,600	
SaveAround	2018-2038	Manufacturing	45,000	
Simulation & Control Technologies, Inc.	2009-2019	Transportation	40,880	4,878
Sheedy Road/Juncberry Road	2015-2025	Construction		
Skye View Heights - American Horizons	2016-2038	Construction	400,000	
Spark Broome, LLC	N/A		200,000	334,384
Spark JC, LLC	N/A			
Stellar 83 Court	2021-2043	Construction		
Upstate Hi-Tech Properties, LLC-CSI	N/A		84,800	49,445
Upstate Services Group	N/A		122,400	
Vestal Asphalt	N/A		20,000	20,000
Vestal Park - UP1 & UP2	2014-2036	Construction	1,344,720	
Vitaluna	2014-2024	Construction		
Woodburn Court	2017-2036	Retirement Community		
Total			\$ 28,896,965	\$ 5,027,375

Mortgage Tax Exemptions	Payments in Lieu of Taxes	Property Taxes if Not Exempt	Total Exemptions	Base Year Jobs	Current Employment 12/31/2021
\$	\$ 11,213	\$ 26,420	\$ 32,961		15
	391,226	488,853	97,627	2	7
	175,514	193,969	18,455		
			-		
	403,195	770,884	367,689		5
	148,674	987,108	838,434		5
	20,178	42,227	22,049	1	76
	13,177	14,889	2,745		2
	-	-	27,754		6
2,017,038	-	-	6,198,774		147
	135,061	283,300	148,239		165
	-	-	-		
	11,976	43,882	31,906		445
	328,987	335,606	6,619		8
	-	-	-		
	31,343	932,057	900,714		4
	232,706	434,797	202,091		7
	208,105	239,484	31,379		2
	39,313	107,758	68,445		5
250,000	210,073	1,839,678	1,629,605		619
	-	13,593	281,233		38
	44,972	413,654	368,784		
	-	-	24,361		46
	155,380	-	(155,380)		176
	-	-	204,000		6
	70,060	164,622	94,562		103
	-	-	3,084		15
	1,341,968	1,789,290	447,322		
	-	-	74,039		244
	4,433	17,730	13,297	16	14
	23,021	67,079	44,058		
	-	-	19,448		39
	57,147	58,521	1,374	25	90
	484,183	761,483	277,300		6
	-	-	47,715		
	-	-	-		39
	35,394	136,315	100,921		34
	-	-	4,878		17
	664,892	883,287	218,395	135	112
	186,220	312,218	125,998		
75,000	110,013	158,196	382,567		50
			75,000		
	57,503	460,650	403,147		15
	-	-	49,445		41
	-	-	-		
	-	-	20,000		32
	1,541,497	1,487,809	(53,688)		11
	217,495	202,592	(14,903)	61	3
	162,315	173,919	11,604		5
\$ 2,342,038	\$ 7,517,234	\$ 13,841,870	\$ 13,694,049	240	2,594

The Agency Board of Directors

AGENDA ITEM #8: A \$155,000 Emergency Loan request from JB Lehtonen, LLC, the real estate holding company for Lehtonen Lumber, LLC DBA Foland Lumber from the BDF Loan Fund Program to assist in the renovation and expansion of its facility located at 550 Old Front Street Binghamton, NY.

INTRODUCTION

Brenda M. Lehtonen (51%) and Jon W. Lehtonen (49%), equal co-owners of both Lehtonen Lumber, LLC, DBA Foland Lumber, and JB Lehtonen have applied for \$155,000 to renovate their first-floor retail store and showroom and expand by adding a second story for additional office space at 550 Old Front Street Binghamton, NY. Although the company remained operational during the Covid crisis the renovation and expansion are necessary to accommodate a new customer base and allow the company to stay competitive in the future. Uses and sources are as follows:

USES OF PROJECT FUNDS

Building Renovations / Addition	<u>\$ 195,000</u>	<u>(100.0%)</u>
TOTAL PROJECT COST	\$ 195,000	(100.0%)

SOURCES OF PROJECT FUNDS

BCIDA BDF	<u>\$ 155,000</u>	<u>(79.5%)</u>
Applicant Cash Equity	<u>\$ 40,000</u>	<u>(20.5%)</u>
TOTAL PROJECT COST	\$ 195,000	(100.0%)

COMPANY PROFILE

In 2018 Brenda and Jon Lehtonen purchased Foland Lumber & Building Materials, a business located at 550 Old Front Street in Binghamton, NY. Before acquiring the existing business, Jon Lehtonen had been employed with Foland for over twenty-seven years.

Foland Lumber & Building Materials has been a family-owned business serving Broome and surrounding counties. It is primarily a contractor-based business

providing quality building materials from framing and pressure-treated lumber to plywood, insulation and windows and doors.

The company has enjoyed a history of over 50 years of quality and specialized customer services that many large chain stores do not offer. As a result, Foland Lumber customers receive exceptional service in a timely, honest and courteous manner. The company also has an educated and knowledgeable staff that offers technical assistance in designing, estimating and project coordinating.

JOB CREATION

The total current employment for Foland Lumber is 3 FTEs. All employees will be retained with the financing requested, and 3 FTEs will be created over three years.

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

	FY21
Depreciation Expense	\$
Interest Expense	\$ 16,000
Net Profit	\$ 196,000
Total Cash Available for Debt Service	\$ 212,000

DEBT SERVICE REQUIREMENTS OF THE PROPOSAL

Existing Whiting & Whiting, Inc. Asset Purchase	\$ 19,956
Existing M. Whiting Mortgage Payments	\$ 7,260
Existing Hyster H60XT Equipment Loan Payments	\$ 6,936
Existing Honda Leasing Corp. Debt Service Payments	\$ 4,728
New BCIDA BDF Annual Debt Service Payments	\$ 33,000
TOTAL ANNUAL DEBT SERVICE PAYMENTS	\$ 71,880

RECOMMENDATION

Foland Lumber has been in business for 61 years and has been at the same location at 550 Old Front Street, Binghamton, New York since its founding in 1961. Foland Lumber is a full-service wholesale lumber supplier specializing in building products including doors, window and framing products. The company remained opened during the Covid Pandemic by supplying contractors with various building products. As a result of its subsequent growth, the company is now interested in expanding from a totally wholesale operation to include retail products and services to private individuals. The company is confident that this expansion will position it for future growth and allow it to remain competitive. A recent credit report on Brenda and Jon Lehtonen indicated a satisfactory credit history; Fair Isaac Score of 789 and 751, respectively. More importantly, with the new emergency financing request, the current 3 full time positions will be retained within three years and 3 new positions will be created. The ALC and I would recommend a BDF financing commitment under the following terms and conditions:

Borrower: JB Lehtonen, LLC

Loan Amount and Fund: \$155,000 from the Business Development Fund (BDF)

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 mortgage position behind Whiting & Whiting Inc. The loan will also be secured with the corporate guarantee of Lehtonen Lumber, LLC DBA Foland Lumber and the personal guarantees of Brenda and Jon Lehtonen.

March 16, 2022

Brenda and Jon Lehtonen
JB Lehtonen, LLC
550 Old Front Street
Binghamton, NY 13905

Dear Brenda and Jon:

The Broome County Industrial Development Agency (BCIDA) has approved a \$155,000 BDF loan for use by your firm. The Borrower is JB Lehtonen, LLC. The loan commitment is subject to the terms and conditions set forth below:

1. Proceeds of the BDF loan will be used solely and exclusively for the expansion and renovation of the facility at 550 Old Front Street, Binghamton, NY required as a result of the COVID-19 virus.
2. Terms of the Loan. The loan shall be for 6 years with year 1 having no principal and interest payments. Equal monthly loan repayments will consist of principal and interest.

The Borrower shall make adequate provisions to complete the proposed project, for which the loan is given, and make full advance within sixty (60) days from the date closing. If at the end of sixty (60) days following the date of closing of the loan agreement full advance of funds has not been made; the BCIDA may, but is not obliged to, notify the Borrower that his loan may be in default of the loan agreement as set forth in the closing documents.

Notwithstanding the foregoing, in addition the events of default which are otherwise applied to this loan, the documents evidencing the loan will provide that the unpaid principal balance of the loan, together with any and all accrued interest thereon and related costs, may, at the option of the BCIDA become immediately due and payable in the event: (a) Borrower applies the loan to any other purpose than that outlined in the above; (b) Borrower sells, agrees to sell, leases or agrees to lease to a third party all or substantially all of its assets; (c) Borrower assigns, transfers, or otherwise agrees to assign or transfer to a third party, the collateral which is the security for the loan; (d) Borrower terminates its business operations; (e) Control of the Borrower is transferred to or otherwise becomes vested in persons other than those in control of the date thereof; (f) Borrower defaults on any of the terms and conditions of the loan with the Borrower specified in paragraph one of the document.

3. Prepayment Privileges. Borrower shall have the privilege of prepaying the loan in whole or in part at any time without payment of premium or penalty. Partial prepayments will not alter the amount of the subsequent monthly payments, nor will it be construed as to permit the foregoing of a payment, but shall only shorten the term of the loan herein. This will be done by application of payment to the principal indebtedness in numerical

payment order, as shown on the amortization schedule, which will be distributed following the closing, and which shall be maintained throughout the life of the loan.

4. Rate of Interest. The interest rate for the loan will be fixed at seventy-five percent (75%) of the lowest prime rate published in the Wall Street Journal on the day of closing, rounded up or down to the nearest quarter percent (.0025).
5. The Borrower will furnish or cause to be furnished the following at or prior to closing:
 - A. Proof of payment of current and past federal and state income taxes.
 - B. A copy of the Borrower's Certificate of Incorporation; and/or d.b.a. (if applicable).
 - C. A certified copy of the Resolution of the Board of Directors authorizing this loan (if applicable).
 - D. Insurance policies insuring against all risks of physical loss or damage to real and personal property securing the loan; business interruption/extra expense sufficient to reimburse the Borrower for any and all indirect loss, and flood insurance (where required by the existence of the hazard). Such policies of insurance shall name the BCIDA as loss payee; Borrower shall also procure and maintain during the course of the loan Comprehensive General Liability insurance in an amount not less than \$1,000,000, each occurrence for Bodily Injury and Property Damage combined. All policies of insurance issued or maintained in conjunction with this agreement shall contain a clause to the effect that no cancellation, non-renewal, or material change may be made unless at least ten (10) days prior written notice be given to the BCIDA.
 - E. Borrower additionally agrees to provide any additional information/documentation or other items as may be requested or required by the BCIDA to close the loan.
6. Financial Statements. The Borrower shall provide to the BCIDA annual financial statements in satisfactory form and substance, and certified as accurate by the Borrower.
7. Annual Reporting. The Borrower shall provide the BCIDA with the number of full-time and part-time employees employed at Lehtonen Lumber, LLC DBA Foland Lumber, total payroll figures, and property tax information. This report will be due at closing and on or before the first day of November of each year during the term of the loan, and certified as accurate by the Borrower.
8. All compensation, bonus, and/or indirect payment by the Borrower to any corporate officer or the Borrower may be limited by the BCIDA, if they are deemed to put the company in financial jeopardy or are currently in default.
9. The collateral security for the loan shall include those items checked below:
 - A. A second mortgage position behind Whiting & Whiting Inc.
 - B. The corporate guarantee of Lehtonen Lumber, LLC DBA Foland Lumber
 - C. Personal guarantees of Brenda and Jon Lehtonen.
10. The Borrower agrees to allow staff of the BCIDA access to the company facility, upon proper prior notice, for the purpose of inspection and verification of the loan proceeds use.

11. The Borrower agrees to comply with all federal and state requirements concerning civil rights, the environment, prevailing wage rates, flood protection insurance and access for the physically disabled.
12. Job Creation. The Borrower (Lehtonen Lumber, LLC DBA Foland Lumber) agrees to retain 3 full-time equivalents and create 3 full-time equivalents within 36 months of the closing of the BDF loan.
13. Acceptance of Commitment. If the terms and conditions herein are satisfactory, please sign where indicated and return to the BCIDA within 30 days of the date of the letter.
14. Closing of the within noted loan may take place within 10 days of the date hereof. If this original commitment letter is not signed and returned to the BCIDA within thirty (30) days from the date hereof, and/or if the loan is not closed within 180 days following the receipt of this letter, then the BCIDA's commitment is automatically terminated, unless the Borrower is otherwise notified by the BCIDA in writing.
15. No Material Change. Prior to loan closing and/or disbursement of loan proceeds, BCIDA may request and be provided with satisfactory evidence that there has (have) been no material adverse change(s) in the financial condition or otherwise, since the date of original application or approval, of the Borrower or Guarantor(s) that, in the opinion of BCIDA, may impair the ability of the Borrower and/or Guarantor(s) to repay the loan. Facts or circumstances constituting adverse changes include, but are not limited to, substantial business losses and changes in the personal financial condition of the Guarantor(s).
16. Release of BCIDA. The Borrower recognizes that it is seeking a loan from a non-profit organization composed of volunteers seeking to improve the community. In consideration of BCIDA reviewing the loan application, the borrower hereby expressly releases, waives, and discharges BCIDA and its directors, officers, employees and agents from any and all claims arising out of or related to this loan application or any loan the borrower may or may not receive as well as any subsequent dealings which the borrower may have with BCIDA. The Borrower understands that, without this release, BCIDA would not close the loan offered by this document.

Sincerely,

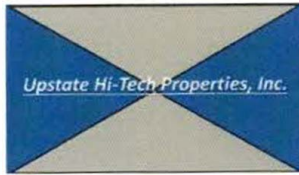
Natalie Abbadessa
Director of Operations

ACCEPTANCE OF AGREEMENT

The _____ day of _____ 20____, the undersigned as Owners
of JB Lehtonen, LLC, do hereby approve and accept the terms and conditions
contained herein.

BY: _____
Brenda Lehtonen

BY: _____
Jon Lehtonen



Upstate Hi-Tech Properties, Inc.
100 Commercial Dr
Suite 1
Binghamton, NY 13905
Voice: (607) 3432334

2/28/2022

Ms Stacy Duncan
Executive Director
The Agency – Broome County IDA/LDC

Dear Ms. Duncan,

First, thank you all for the assistance to date helping us get this new building up and running in a quite unique environment. The assistance is making a difference.

We are formally requesting an extension to our current tax savings plan.

Although we started a little late after the Town of Union deal was rejected, we have encountered some speedbumps with the building construction that has is completing more in the 2nd or 3rd quarter and not in the 1st quarter like we had hoped.

Our building contractor, Rotella has encountered material delays that included the steel for the building, concrete and early weather impacts and he will not finish his part of the construction until spring when the ground is thawed and dry. Rotella's building delays impacted the 3 local small businesses we choose for the inside work.

We just got Electric and Gas up and running this past week. The internal contractors will look to finish the end of March, we will then need to set up offices and the productions floor that could take a month then a month or 2 to full move in.

That said, we would like to extend to the end of July or if possible, the end of August just in case some other speedbumps are encountered.

Thank you and if you have any questions, please let me know

Dave Jones
Managing Partner
Upstate Hi-Tech Properties, LLC.



SIMULATION AND CONTROL TECHNOLOGIES, INC.

42 Corbettsville Road

Conklin, NY 13748

(607) 722-3450 FAX (607) 722-3486

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

February 28, 2022

RE: Sales Tax Exemption Extension

Dear Executive Director Duncan,

Simulation and Control Technologies, Inc (SCT) is kindly requesting an extension to the previously approved sales tax exemption for IDA project number 03012004b which expires on April 15, 2022. We would like to request the exemption period be extended to April 15, 2023.

The extension request is necessary due to the project's completion timeframe continuing to shift to the right, in large part because of funding shortfalls as a result of postponed government contracts related to COVID-19 protocols. While we have completed or will complete much of the structural, electrical and HVAC portions of the project by the 4/15/22 date, a fair amount of work remains in order to complete the project. Thank you for your consideration.

Regards,

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

Mitch Gorton
Operating Officer

Enclosure:
Extension Request Payment



SIMULATION AND CONTROL TECHNOLOGIES, INC.

GJS Property Group LLC

George Slavik
9 Carolyn Court
Endwell, NY 13760
(607)760-8441

February 17, 2022

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

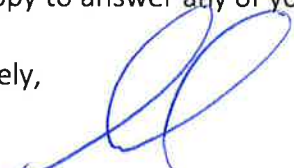
Re: Extension

Dear Ms. Duncan,

Our project extension expires May 20, 2022, and we will not be complete with the work by this date. We are having a difficult time finding and scheduling contractors as well as long lead times for procuring materials. Please accept this letter as notice that we would like to request another extension for our construction project's sales tax exemption. We would like to request the extension from May 20, 2022 to May 20, 2023.

If you have any questions, please do not hesitate to contact me. I would be happy to answer any of your questions or concerns.

Sincerely,



George Slavik Jr.
Property Owner

GS/kmd

**BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY
INVESTMENT AND DEPOSIT POLICY**

A. Introduction

1. Scope. This Investment and Deposit Policy of the Broome County Industrial Development Agency (the "Agency") shall apply to all operating funds, bond proceeds and other funds and all investment transactions involving operating funds, bond proceeds and other funds accounted for in the financial statements of the Agency. Each investment made pursuant to this Investment Policy must be authorized by applicable law and this written Investment Policy. This Investment Policy is intended to comply with the General Municipal Law, the Public Authorities Law, and any other applicable laws of New York State.

2. Objectives. The primary objectives of the investment activities are, in priority order:

- a. to conform with all applicable federal, state and other legal requirements (legal);
- b. to adequately safeguard principal (safety);
- c. to provide sufficient liquidity to meet all operating requirements (liquidity); and
- d. to obtain a reasonable rate of return to match expected liability and expenses.(yield).

3. Prudence. All participants in the investment process and all participants responsible for depositing the Agency's funds shall seek to act responsibly as custodians of the public trust and shall avoid any transaction that might impair confidence in the Agency to govern effectively.

Investments and deposits shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the safety of the principal as well as the probable income to be derived.

All participants involved in the investment process and all participants responsible for depositing the Agency's funds shall refrain from personal business activity that could conflict with proper execution of the investment program or the deposit of the Agency's funds or which could impair their ability to make impartial investment decisions.

All board Directors, officers and employees of the Agency involved in the investment process shall refrain from personal business activity that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Nothing contained within this Policy however, shall prohibit the Directors or employees of the Agency from obtaining interests in mutual funds which may include within its investment portfolio, bonds, debentures, notes or other evidence of indebtedness of the Agency; provided however, that the Agency's

bonds, debentures, notes or other evidence of indebtedness may not make up more than ten percent (10%) of the mutual fund's total portfolio and the Directors and employees may not exercise any discretion with respect to the investments made by the mutual fund company.

4. Diversification. It is the policy of the Agency to diversify its deposits and investments by financial institution, by investment instrument and by maturity scheduling.

5. Internal Controls

The Internal Controls shall provide for receipt and review of the audited financial statements and related reports on internal control structure of all outside persons performing any of the following for the Agency:

- investing public funds of the Agency;
- advising on the investment of public funds of the Agency;
- directing the deposit or investment of public funds of the Agency; or
- acting in a fiduciary capacity for the Agency.

6. All money's collected by an officer or employee of the Agency shall be immediately deposited in such depositories and designated by the Agency for the receipt of such funds.

7. The Agency shall maintain or cause to be maintained a proper record of all book, notes, securities or other evidences of indebtedness held by the Agency for investment and deposit purposes.

8. The Agency is responsible for establishing and maintaining an internal control structure and investment practices to document those officers and employees responsible for elements of the investment process and to provide reasonable, but not absolute, assurance that deposits and investments are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly, and are managed in compliance with applicable laws and regulations.

6. Designation of Depositories – In accordance with the IDA Act, the Agency shall designate as depositories of its money those banks and trust companies authorized to serve as such pursuant to said law.

B. Investment Policy

1. Permitted Investments

Pursuant to GML Section 11, the Agency is authorized to invest moneys not required for immediate expenditure for terms not to exceed its projected cash flow needs in the following types of investments:

- a. Special time deposit accounts;*
- b. Certificates of deposit;*
- c. Obligations of the United States of America;**
- d. Obligations guaranteed by agencies of the United States of America where payment of principal and interest are guaranteed by the United States of America;**
- e. Obligations of the State of New York;*

* Special time deposit accounts and certificates of deposit are permitted investments provided that (1) they shall be payable within such time as the proceeds shall be needed to meet expenditures for which the moneys were obtained,(2) they are collateralized in the same manner as set forth in Section VII {C) below for deposits of public funds, (3) Certificates of deposit and term deposits of United States domestic financial institutions which are members of the Federal Deposit Insurance Corporation, and (4) such entities have the highest credit rating assigned by a nationally recognized rating service and which may be readily sold in a secondary market at prices reflecting fair value.

** All investment obligations shall be payable or redeemable at the option of the Agency within such times as the proceeds will be needed to meet expenditures for purposes for which the moneys were provided and, in the case of obligations purchased with the proceeds of bonds or notes, shall be payable or redeemable at the option of the Agency within two years of date of purchase. Investments must carry a rating of BBB- or above at the time of purchase (investment grade), or, if unrated, be deemed to be of investment grade quality. The total of unrated investments may not exceed five {5%} of the investment portfolio value and the unrated investments of a single issuer may not exceed 2% of the portfolio value.

2. Authorized Financial Institutions and Dealers

The Agency shall maintain a list of financial institutions and dealers, approved for investment purposes and establish appropriate limits to the amount of investments which can be made with each financial institution or dealer. All financial institutions with which the local government conducts business must be credit worthy. Banks shall provide their most recent Consolidated Report of Condition at the request of the Agency. Security dealers not affiliated with a bank shall be required to be classified as reporting dealers affiliated with the New York Federal Reserve Bank, as primary dealers. The Executive Director or Chairman is responsible for evaluating the financial position and maintaining a listing of proposed depositories, trading partners and custodians. Such listing shall be evaluated at least annually.

3. Purchase of Investments

The Agency may contract for the purchase of investments:

- a. Directly, including through a repurchase agreement, from an authorized trading partner.

- b. By participation in a cooperative investment program with another authorized governmental entity pursuant to Article SG of the GML where such program meets all the requirements set forth in the Office of the State Comptroller Opinion No. 88- 46, and the specific program has been authorized by the governing board.
- c. By utilizing an ongoing investment program with an authorized trading partner pursuant to a contract authorized by the governing board.

All purchased obligations, unless registered or inscribed in the name of the local government, shall be purchased through, delivered to and held in the custody of a bank or trust company. Such obligations shall be purchased, sold or presented for redemption or payment by such bank or trust company only in accordance with prior written authorization from the officer authorized to make the investment. All such transactions shall be confirmed in writing to the Agency by the bank or trust company shall be held pursuant to a written custodial agreement as described in GML Section 10.

The custodial agreement shall provide the securities held by the bank or trust company, as agent of and custodian for, the local government, will be kept separate and apart from the general assets of the custodial bank or trust company and will not, in any circumstances, be commingled with or become part of the backing for any other deposit or other liabilities. The agreement shall describe how the custodian shall confirm the receipt and released of the securities. Such agreement shall include all provisions necessary to provide the Agency a perfected interest in the securities.

4. Repurchase Agreements

Repurchase agreements are authorized subject to the following restrictions:

- a. All repurchase agreements must be entered into subject to a Master Repurchase Agreement.
- b. Trading partners are limited to banks or trust companies authorized to do business in New York State and primary reporting dealers.
- c. Obligations shall be limited to obligations of the United States of America and obligations guaranteed by agencies of the Unites States of America.
- d. No substitution of securities will be allowed.
- e. The custodian shall be a party other than the trading partner.

5. Performance Standards - Performance will be evaluated quarterly and compared to the performance of the appropriate benchmark index and peer groups

C. Deposit Policy

1. Collateralization of Deposits

In accordance with the provisions of GML, 10, all deposits of the Agency, including certificates of deposit and special time deposits, in excess of the amount insured under the provisions of the Federal Deposit Insurance Act shall be secured:

- a. By pledge of "eligible securities" with an aggregate "market value" as provided by GML Section 10, equal to the aggregate amount of deposits from the categories designated in Exhibit A attached hereto.
- b. By an eligible "irrevocable letter of credit" issued by a qualified bank other than the bank with the deposits in favor of the government for a term not to exceed 90 days with an aggregate value equal to 140% of the aggregate amount of deposits and the agreed upon interest, if any. A qualified bank is one whose commercial paper and other unsecured short-term debt obligations are rated in one of the three highest rating categories by at least one nationally recognized statistical rating organization or by a bank that is in compliance with applicable federal minimum risk-based capital requirements.
- c. By an eligible surety bond payable to the government for an amount at least equal to 100% of the aggregate amount of deposits and the agreed upon interest, if any, executed by an insurance company authorized to do business in New York State, whose claims-paying ability is rated in the highest rating category by at least two nationally recognized statistical rating organizations. The terms and conditions of any eligible surety shall be approved by the governing board.

2. Safekeeping and Collateralization

Eligible securities used for collateralizing deposits shall be held by the depository bank or trust company subject to security and custodial agreements.

The security agreement shall provide that eligible securities are being pledged to secure local government deposits together with agreed upon interest, if any and any costs or expenses arising out of the collection of such deposits upon default. It shall also provide the conditions under which the securities may be sold, presented for payment, substituted or released and the events, which will enable the local government to exercise its rights against the pledged securities. In the event that the securities are not registered or inscribed in the name of the local government, such securities shall be delivered in a form suitable for transfer or with an assignment in blank to the Agency or its custodial bank.

The custodial agreement shall provide that securities held by the bank or trust company, or agent of and custodian for, the local government, will be kept separate and apart

from the general assets of the custodial bank or trust company and will not, in any circumstances, be commingled with or become part of backing for any other deposit or other liabilities. The agreement should also describe that the custodian shall confirm the receipt, substitution or release of the securities. The agreement shall provide for the frequency of revaluation of eligible securities and for the substitution of securities when a change in the rating of a security may cause ineligibility. Such agreement shall include all provisions necessary to provide the Agency a perfected interest in the securities.

D. Reporting

Each quarter the Treasurer shall provide to the Directors a report which sets forth amounts invested, the diversification and performance of each portfolio in relation to appropriate market indices, comparative performance information that enables the reader to evaluate whether the portfolios are achieving returns that are consistent with objectives and market conditions.

Each year-end the Treasurer shall provide to the Directors a report that identifies the components of the total investment portfolio.

**BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY
INTERNAL CONTROLS AND FINANCIAL ACCOUNTABILITY**

1. Board Members and Officers shall ensure that the Agency is accountable for its programs and finances to its customers and the public. Accordingly, the Agency shall comply with all applicable laws and ethical standards; adhere to its public mission; create and adhere to policies regarding conflicts of interest, ethics, personnel and accounting; prepare and file annual financial data with required federal and state regulatory authorities; and make its annual financial report available to all Members and any member of the public who requests it.

2. Internal controls are systems of policies and procedures that protect and manage the assets of the Agency, create reliable financial reporting, promote compliance with laws and regulations and achieve effective and efficient operations.

3. The following internal controls, policies and procedures shall apply to the Agency:

A. Budget. An annual income and expense budget will be prepared and monthly reports will be presented to the Board. The report will compare actual receipts and expenditures to the budget with timely variance explanations.

B. Expenditures. All disbursements for \$2,500 or more shall require two signatures from Chairman, Vice Chairman, Secretary, Treasurer or Executive Director. Disbursements under \$2,500 shall require the signature of one of the following: Senior Deputy Director of Operations or the Executive Director. A monthly report of all expenditures under \$2,500 will be electronically submitted to the Board for review.

C. Expenditures-Approval. No expenditures shall be made or incurred except in accordance with the purchasing policy and the duly adopted budget. All expenditures shall be prepared by the Office Business Manager and reviewed and approved by the Senior Deputy Director of Operations.

D. Receipts-Checks. All receipts by check shall be duly entered in the books of the Agency with a copy made of each check received and attached to the invoice or bank deposit. All bank deposits shall be prepared by the Office Business Manager and reviewed by the Senior Deputy Director of Operations.

E. Accounts Receivable. All accounts receivables shall be maintained on a current basis to the extent practicable. Account receivables which are more than 90 days old shall be reported to the Board on a monthly basis. The Board may direct such action as may be appropriate as to said receivables.

F. Data. Electronic data regarding financial records and reports shall be preserved. All bank reconciliations shall be prepared by the Office Business Manager and reviewed by the Senior Deputy Director of Operations.

G. Audit/Finance Committee. The audit/finance committee shall have oversight over the annual audit process.

H. Reports. Monthly reports on the finances shall be submitted to the Board. Annual financial reports shall be filed as required by law and made available to the public.

I. Management. The day to day activities of the Agency shall be managed by a person or entity designated by the Board of Directors and subject to its oversight.

J. Assessment. An annual assessment of the effectiveness of their internal control structures and procedures will be conducted by management, or an independent auditor, in compliance with Section 2800 (l)(a)(9) and Section 2800 (2)(a)(8) of Public Authorities Law.

Amended and adopted the 14th day of November 2014.

**BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY
PURCHASING POLICY**

1. The purchase of equipment, supplies, material, and non professional services shall be authorized as follows:

- a. Where the estimated total cost does not exceed \$5,000, purchases shall be made upon verbal quotations at the discretion of Executive Director. In the event the purchase is made from a vendor not providing the lowest quote, a written explanation will be placed in the file.
- b. Where the estimated total cost is over \$5,000 and does not exceed \$10,000, the purchase shall be made upon at least three (3) written quotations if available and shall be authorized by Executive Director.
- c. In order to comply with procurement contracts pursuant to Article 15-A of the Executive Law it is the preference of the Agency to provide opportunities for the purchase of goods and services from (i) business enterprises located in Broome County; and (ii) certified minority and/or women-owned business enterprises. To that end, the Agency will utilize available lists of M/WBE firms certified by Broome County and/or the State of New York and will, whenever practical, solicit bids and proposals from such businesses by notifying them of opportunities to submit proposals and bids for good and services. MBE and WBE businesses will be provided with sufficient time to submit proposals in response to solicitations. The Agency goal for MWBE participation is 10%. The Agency will document the level of MWBE participation in solicited opportunities.
- d. Where the estimated total cost is over \$10,000, the purchase shall be made based upon a competitive bidding process. The Board of Directors shall authorize award of contracts for such purchases if the purchase was not anticipated in the Agency's adopted Annual Budget.
- e. Purchases may be made from a Federal, State, County, or other Municipal, State Authority, or Local Development Corporation contracts. Such purchases are not subject to the requirements specified in items l.a.-1.c., above.
- f. All purchases of \$5,000 or more shall be reported to the Board of Directors on a semi annual basis. In the event that the purchase is made from a vendor not providing the lowest cost, an explanation shall be included in this report.

2. Pursuant to General Municipal Law Section 104-b(2)(f), the procurement policy may contain circumstances when, or types of procurement for which, in the sole discretion of the Directors of the Agency, the solicitation of alternative professionals or quotations will not be in the best interest of the Agency. In the following circumstances, it may not be in the best interests of the Agency to solicit quotations or document the basis for not accepting the lowest bid:

- a. Professional Services. Professional Services is defined as services requiring special or technical skill, training or expertise. The individual, company or firm must be chosen based on accountability, reliability, responsibility, skill, conflict of interests, reputation, education and training, judgment, integrity, continuity of service and moral worth. Furthermore, certain professional services to be provided by the Agency; legal and accounting services, impact liability in circumstances where the Agency is issuing bonds. These qualifications and the concerns of the Agency regarding its liability and the liability of its Directors are not necessarily found or addressed in the individual, company or firm that offers the lowest price and the nature of these services are such that they do not readily lend themselves to competitive procurement.
- b. In determining whether a service fits into this category, the Agency shall take into consideration the following guidelines: (1) whether the services are subject to State licensing or test requirements; (2) whether substantial formal education and training is a necessary prerequisite to the performance of the services; and (3) whether the services require a personal relationship between the individual and Agency directors. Professional or technical services shall include, but not limited to the following: services of an attorney (including bond counsel) ; services of a physician; technical services of an engineer/planner engaged to prepare studies, plans, maps and estimates; securing insurance coverage and/or services of an insurance broker; services of a certified public accountant; investment management services; printing services involving extensive writing, editing or art work; management of Agency owned property; and computer software or programming services for customized programs, or services involved in substantial modification and customizing or pre-packaged software.

3. Purchases may be made from a Federal, State, County, or other Municipal, State Authority, or Local Development Corporation contracts. Such purchases are not subject to the requirements specified in items 2.a.-2.c., above.

4. All purchases of \$5,000 or more shall be reported to the Board of Directors on a semi-annual basis.

5. Emergency Purchase Orders. Where an emergency condition exists posing imminent danger to public health, personal safety or public or private property the Executive Director is authorized to make such purchases of goods or services which may be necessary to meet the emergency condition without following the purchasing policy. In each case, where practicable, the Executive Director will endeavor to obtain, at a minimum, verbal quotations for the work or services necessary. Any and all emergency purchases in excess of \$5,000 shall be reported to the Board of Directors as soon as practicable and for any such purchases in excess of \$10,000 the Board shall be notified electronically and/or telephonically prior to purchase if possible.

6. Sole Source Purchases. Where the goods or the services may be purchased from just one source (defined as sole source items) the procurement of said items need not follow this purchasing policy. In order to purchase goods or services without competitive bidding or a competitive quotation the Executive Director must certify that the goods or services are only available through one source.

**BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY
PROPERTY ACQUISITION GUIDELINES**

Section 2824[1](e) of the Public Authorities Law requires local authorities to adopt written policy governing the acquisition of real property. The following policy ["Policy"] is hereby adopted upon approval by the Board of Directors pursuant to such requirement and shall be applicable with respect to the acquisition of real property and any interest therein ["Real Property"] by the Broome County Industrial Development Agency.

A. Acquisition of Real Property

Real Property may be acquired by the agency for use, development, resale, leasing or other uses designated by the agency. The Agency may lease Real Property for use, subleasing or other uses designated by the Agency.

The purpose of each acquisition of Real Property by the Agency shall be to further one or more purposes of the Agency as authorized under the Agency's enabling legislation, certificate of incorporation, by-laws or a resolution adopted by the Board of Directors or for a purpose otherwise permitted under applicable state law.

Prior to each acquisition of Real Property, the Agency will conduct such due diligence as it deems appropriate in accordance with the particular circumstances of the proposed acquisition. Such due diligence may include, but is not limited to, Real Property appraisals and review and investigation of environmental, structural, title, pricing and other applicable matters.

B. Approval of Real Property Acquisitions

All acquisitions of Real Property shall be conducted in accordance with this Policy and applicable law. Proposed acquisitions of Real Property shall be presented to the Board of Directors of the Agency for approval or other appropriate action.

C. Exemption for Certain BCIDA Transactions

This Policy shall not be applicable to any agreements or arrangements involving the provision by BCIDA of "financial assistance" as such term is defined in Section 854[14] of the New York General Municipal Law.

D. Amendment of Policy

This Policy may be amended or modified at any time by the Board of Directors of the Agency.

**BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY
PROPERTY DISPOSITION GUIDELINES**

The Broome County Industrial Development Agency ("Agency") is required by Section 2896 of the Public Authorities Law to adopt by resolution comprehensive guidelines regarding the use, awarding, monitoring and reporting of contracts for the disposal of Property (as defined herein). The following guidelines ("Guidelines") are adopted upon approval by the Agency's Board and are applicable with respect to the use, awarding, monitoring and reporting of all Property Disposition Contracts which are entered into by the Agency.

**ARTICLE I
DEFINITIONS**

1. "Contracting Officer" shall mean the Executive Director of the Agency to be responsible for the disposition of Property of the Agency.
2. "Dispose" or "disposal" or "disposition" shall mean the transfer of title or any other beneficial interest in Property from the Agency to any other party.
3. "Property" shall mean personal property in excess of Five Thousand Dollars (\$5,000.00) in value, real property, or any other legally transferable interest in such property, to the extent that such interest may be conveyed to another person for any purpose, excluding an interest securing a loan or other financial obligation of another party.
4. "Property Disposition Contracts" shall mean written agreements for the sale, lease, transfer or other disposition of Property from the Agency to any other party.
5. "Real Property" shall mean real property and interests therein.

**ARTICLE II
APPOINTMENT AND DUTIES OF CONTRACTING OFFICER**

A. Appointment

The Contracting Officer shall be the Executive Director of the Agency, appointed by the Directors, who is responsible for the supervision and direction over the custody, control and disposition of Property and responsible for Agency compliance with and enforcement of these Guidelines.

B. Duties

The duties of the Contracting Officer shall include the following:

1. Maintaining adequate inventory controls and accountability systems for all Property under the control of the Agency.
2. Periodically conducting an inventory of Property to determine which Property may be disposed of.
3. Preparing an annual written report of all Property of the Agency. Each report shall include a list of all Real Property, a full description of all real and personal property disposed of during the reporting period, the price received and the name of the purchaser for all Property sold during each reporting period. Each report shall be completed and delivered to the New York State Comptroller, the Director of the Budget, the Commissioner of General Services and the New York State Legislature no later than ninety (90) days following the completion of the fiscal year of the Agency. This report is included within and distributed with the Annual Report of the Agency.
4. Disposing of Property as promptly as possible in accordance with these Guidelines, as directed by the Agency.

ARTICLE III PROPERTY DISPOSITION REQUIREMENTS

A. Method of Disposition

Subject to such exceptions and/or requirements set forth in these Guidelines, in the event that the Agency determines to dispose of any of its Property, the Agency shall endeavor to dispose of such Property for at least the fair market value of the Property. The disposition of Property may be made by sale, exchange, or transfer, for cash, credit or other Property, with or without warranty, and upon such terms and conditions as are determined by the Agency to be appropriate and reasonable and consistent with these Guidelines. Provided, however, no disposition of real property shall be made unless an appraisal of the value of such property has been made by an independent appraiser and included in the record of the transaction.

B. Award and Approval of Property Disposition Contracts

1. Compliance with Guidelines; Approval Requirements. All dispositions of Property shall be conducted in accordance with these Guidelines by or under the supervision of the Contracting Officer, subject to approval of the Directors of the Agency.
2. Disposition by Public Bid.

(a) All Property Disposition Contracts may be made only after publicly advertising for bids, unless the criteria set forth in Article III(B)(3) below has been satisfied for such contracts to be made by negotiation or public auction.

(b) Whenever public advertising for bids is required, (i) the advertisement for bids shall be made at such time prior to the disposal or contract, through such methods, and on such terms and conditions, as shall permit full and free competition consistent with the value and nature of the Property; (ii) all bids shall be publicly disclosed at the time and place stated in the advertisement; and (iii) the award shall be made with reasonable promptness by notice to the responsible bidder whose bid, conforming to the invitation for bids, will be most advantageous to the Agency and New York State, price and other factors considered.

(c) Any public bid for the disposition of Property may be rejected, refused, or declined by the Agency on any basis or ground allowable bylaw.

3. Disposition by Negotiated Sale/Public Auction. The following dispositions are exempt and excepted from the public bidding requirements set forth above in Article 111(6)(2) and may be consummated through a negotiated sale or by public auction:

(a) The basis exist for a *Below Fair Market Value* disposition. The Agency may dispose of Property for less than the fair market value of the Property where:

(i) Transferee is a government or public entity and terms of transfer require ownership and use to remain with the government or public entity; or

(ii) Purpose of transfer is within the purpose, mission or statue of the Agency; or

(iii) Written notification to the Governor, Speaker, and Temporary President. Such notification is subject to denial. Denial by Governor is in the form of a certification. Denial by the legislature is in the form of a resolution. Denial must be made within 60 days of receiving notification during January through June. If legislature receives the notification in July through December, then legislature may take 60 days from January 1 of the following year. Provided there is no denial, the Agency may effectuate the transfer.

However, a local authority may obtain local approval from the chief executive and legislature of the political subdivision in lieu of the notification to the Governor, Speaker and Temporary President provided the local authority's enabling legislation provides for such approval and the property was obtained by the authority from the political subdivision.

If a below FMV transfer is proposed, the following information is required to be provided to the Agency board and to the public:

- (1) Description of Asset;
- (2) Appraisal of the FMV of the asset:
- (3) Description of the purpose of the transfer, the kind and amount of the benefit to the public resulting from the transfer such as jobs and wages created or preserved;
- (4) Value received compared to FMV;
- (5) Names of private parties to the transaction and value received;
- (6) Names of private parties that have made an offer, the value of offer, and purpose for which the asset would have been used.

The board of the Agency must make a written determination that there is no reasonable alternative to the proposed below-market transfer that would achieve the same purpose of such transfer.

(b) **Disposition of Certain Personal Property.** The Agency may dispose of personal property where such personal property involved has qualities separate from the utilitarian purpose of such property, such as artistic quality, antiquity, historical significance, rarity or other quality of similar effect, that would tend to increase its value, or if the personal property is to be sold in such quantity that, if it were to be disposed of through public advertisement and bidding, would adversely affect the state or local market for such personal property.

(c) **Disposition of Low FMV Property.** The Agency may dispose of Property where the fair market value of which does not exceed Fifteen Thousand Dollars (\$15,000.00).

(d) **Disposition Following Receipt of Unacceptable Bid Prices.** The Agency may dispose of Property where the bid prices received by the Agency after public advertising are not commercially reasonable (either as to all or some part of the Property) as determined by the Agency in its sole discretion.

(e) **Disposition to a Political Subdivision.** The Agency may dispose of Property to New York State or any political subdivision of New York State.

(f) **Disposition Authorized by Law.** The Agency may dispose of Property where such disposition is otherwise authorized by law.

4. Reporting Requirements Regarding Negotiated Dispositions.

(a) **Preparation of Written Statements.** The Contracting Officer shall prepare a written statement explaining the circumstances of each negotiated disposition of Property involving any of the following:

(i) the negotiated disposition of personal property which has an estimated fair market value in excess of Fifteen Thousand Dollars (\$15,000.00);

(ii) the negotiated disposition of Real Property that has an estimated fair market value in excess of One Hundred Thousand Dollars (\$100,000.00);

(iii) the negotiated disposition of Real Property that will be disposed of by lease if the estimated annual rent over the term of the lease is in excess of \$15,000; or

(iv) the negotiated disposition of Real Property or real and related personal property where the same will be disposed of by exchange, regardless of value, or any Property any part of the consideration for which is Real Property.

(b) Submission of Written Statements. Written statements prepared pursuant to Article III(B) (4) shall be submitted to the New York State Comptroller, the Director of the Budget, the Commissioner of General Services and the State Legislature no later than ninety (90) days prior to the date on which the disposition of Property is expected to take place. The Contracting Officer shall maintain a copy of all written statements at the Agency's principal office.

ARTICLE IV GENERAL PROVISIONS

A. Annual Review and Submission of Guidelines

These Guidelines shall be annually reviewed and approved by the Directors of the Agency. On or before the 31st day of March of each year, the Contracting Officer shall file a copy of the most recently reviewed and adopted Guidelines with the New York State Comptroller, and shall post the Guidelines on the Agency's website. Guidelines posted on the Agency's website shall be maintained at least until the Guidelines for the following year are posted on the website.

B. Effect of Awarded Contracts

These Guidelines are intended for the guidance of the officers, Directors and employees of the Agency. Nothing contained herein is intended or shall be construed to confer upon any person, firm or corporation any right, remedy, claim or benefit under, or by reason of, any requirement or provision hereof, or be deemed to alter, affect the validity of, modify the terms of or impair any contract or agreement made or entered into in violation of, or without compliance with, these Guidelines. Without limiting the generality of the preceding sentence, any deed, bill of sale, lease, or other instrument executed by or on behalf of the Agency, purporting to transfer title or any other interest in Property shall be conclusive evidence of compliance with these Guidelines insofar as concerns title or other interest of any bona fide grantee or transferee who has given valuable consideration for such title or other interest and has not received actual or constructive notice of lack of compliance with these Guidelines prior to the closing.

C. Exemption for Certain Agency Transactions

These Guidelines shall not be applicable to any agreements or arrangements involving the provision by the Agency of "financial assistance" as such term is defined in Section 854(14) of the New York General Municipal Law (i.e. property dispositions serving solely as a conduit for providing financial assistance).

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY
PROJECT REVIEW FORM

<u>Company:</u> 4301 Watson Blvd, LLC		<u>IDA Meeting Date:</u> 03/16/2022	
<u>Representative:</u> Michael Birkby		<u>IDA Public Hearing Date:</u> TBD	
<u>Type of Business:</u> Affordable Housing <u>Project Start Date:</u> 2022 <u>Project End Date:</u> TBD		<u>Company Address:</u> 1000 University Ave Suite 500 Rochester, NY 14607	
<u>Employment:</u> <u>Full-Time Equivalent</u> Existing 0 1st year 3.5 2nd year _____ 3rd year _____	<u>Total Yearly Payroll</u> 1st Year \$ 286,000.00 2nd Year _____ 3rd Year _____ Total: \$ 286,000.00	<u>Own / Lease:</u> Own	<u>SF / Acreage:</u> 9.33 acres
<u>Construction Jobs:</u> 130 Constructions Jobs \$10,945,000		<u>Proposed Project Location:</u> 4301 Watson Blvd, Johnson City, NY	
<u>Company Contact For Bid Documents & Employment Opportunities:</u> Michael Birkby, (585) 324-0546 mbirkby@coniferllc.com		<u>Description:</u> See Attached	
PROJECT BUDGET		ASSESSMENT	
Land Related Costs	\$ 300,000.00	Current Assessment	\$7,500
Building Related Costs	\$ 29,948,949.00	Asmt. At Completion (Est.)	TBD
M & E Costs		EXEMPTION (Est.)	
F F & E Costs	\$ 50,000.00	Sales Tax @ 8%	\$ 1,754,866.00
Professional Services/Development Cost	\$ 5,152,292.00	Mortgage Tax	\$ 395,767.00
Total Other Costs	\$ 3,745,471.00	Property Tax Exemption	559,922.00
Working Capital Costs	\$ 380,000.00		
Closing Costs			
Agency Fee	\$ 395,767.00	TOTAL EXEMPTIONS:	\$ 2,710,555.00
TOTAL: \$ 39,972,479.00		TOTAL PILOT PAYMENTS: \$ 2,627,394.00	
<u>Project Type</u> <u>(Check all that apply)</u> <input type="checkbox"/> Manufacturing, Warehousing, Distribution <input type="checkbox"/> Agricultural, Food Processing <input checked="" type="checkbox"/> Adaptive Reuse, Community Development <input checked="" type="checkbox"/> Housing Development <input type="checkbox"/> Retail* <input type="checkbox"/> Back Office, Data, Call Centers <input type="checkbox"/> Energy/Power		<u>Project Criteria Met</u> <u>(Check all that apply)</u> <input checked="" type="checkbox"/> Project will create and /or retain permanent jobs <input checked="" type="checkbox"/> Project will be completed in a timely fashion <input checked="" type="checkbox"/> Project will create new revenue to local taxing jurisdictions <input checked="" type="checkbox"/> Project benefits outweigh costs <input checked="" type="checkbox"/> Other public benefits	
*Uniform Tax Policy does not typically provide tax exemptions for Retail Projects		*New York State Required Criteria	
<u>Pilot Type</u> <input type="checkbox"/> Standard _____ year <input type="checkbox"/> <input checked="" type="checkbox"/> Deviated 30 year			
<u>Staff Comments:</u> This project meets The Agency's stated goals of stemming disinvestment in neighborhoods, returning vacant abandoned, and tax-delinquent properties to productive use and turning vacant spaces into vibrant places.			

Project Description

The proposed development will include the demolition of the existing structure and the construction of a new double loaded corridor apartment building. The proposed development will create 75 new mixed-income apartments affordable to families earning between 30% and 90% of the Area Median Income ("AMI"). The three-story, double-loaded corridor, elevator building will be approximately 35 feet tall and contain 18 one-bedroom apartments, 38 two-bedroom apartments, and 19 three-bedroom apartments. Vehicular access will be provided off of Watson Boulevard with parking lots on both ends of the building. The central drive connecting the two parking lots will provide a convenient drop off area directly in front of the main entrance canopy and doors, also providing ADA accessible parking adjacent to the entry. The proposed development will be constructed as a wood-framed structure that will hold all 75 apartments, as well as communal amenities such as a fitness center, community room with kitchenette, laundry facilities, outdoor patio, and playground. There will also be an on-site management office and maintenance shop.

Broome County Industrial Development Agency

MRB Cost Benefit Calculator

Date March 15, 2022
Project Title 4301 Watson Blvd, LLC
Project Location 4301 Watson Blvd, Johnson City, NY

Economic Impacts

Summary of Economic Impacts over the Life of the PILOT

Project Total Investment

\$39,576,712

Temporary (Construction)

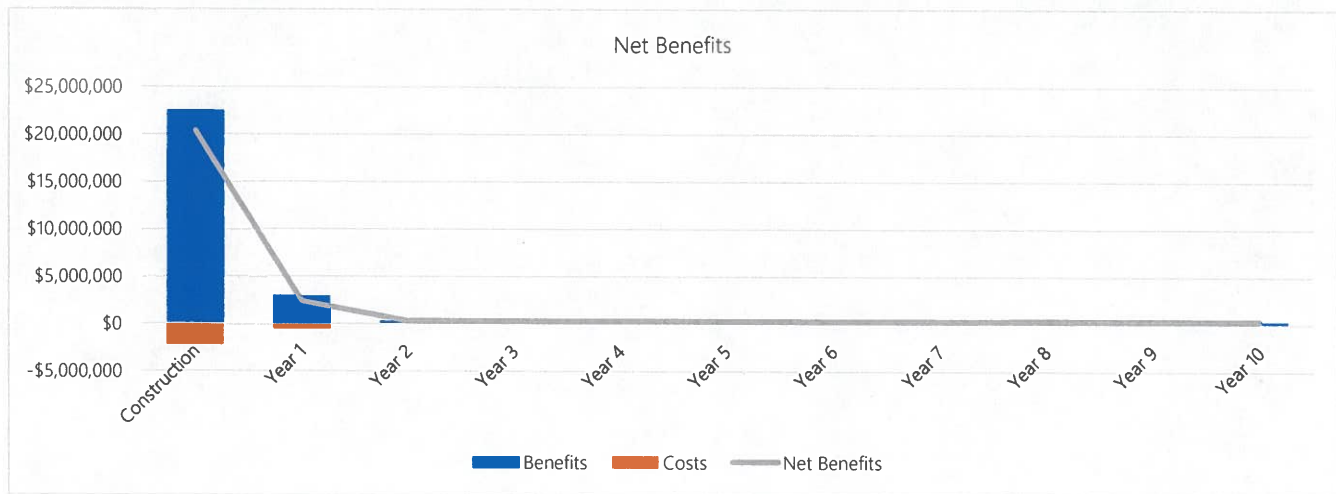
	Direct	Indirect	Total
Jobs	258	95	353
Earnings	\$16,366,426	\$4,895,093	\$21,261,519
Local Spend	\$39,576,712	\$15,577,737	\$55,154,449

Ongoing (Operations)

Aggregate over life of the PILOT

	Direct	Indirect	Total
Jobs	4	2	5
Earnings	\$6,006,754	\$4,305,749	\$10,312,503

Figure 1



Net Benefits chart will always display construction through year 10, irrespective of the length of the PILOT.

Figure 2

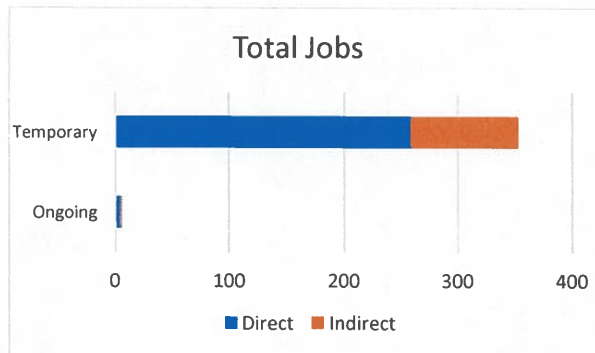
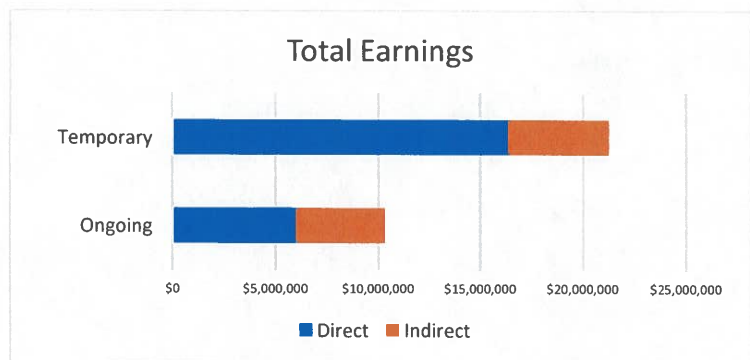


Figure 3



Fiscal Impacts

Estimated Costs of Exemptions

	Nominal Value	Discounted Value*
Property Tax Exemption	\$559,922	\$548,943
Sales Tax Exemption	\$1,754,866	\$1,754,866
Local Sales Tax Exemption	\$877,433	\$877,433
State Sales Tax Exemption	\$877,433	\$877,433
Mortgage Recording Tax Exemption	\$395,767	\$395,767
Local Mortgage Recording Tax Exemption	\$395,767	\$395,767
State Mortgage Recording Tax Exemption	\$0	\$0
Total Costs	\$2,710,555	\$2,699,576

State and Local Benefits

	Nominal Value	Discounted Value*
Local Benefits	\$34,414,934	\$31,620,421
To Private Individuals	\$31,574,022	\$28,849,948
Temporary Payroll	\$21,261,519	\$21,261,519
Ongoing Payroll	\$10,312,503	\$7,588,430
Other Payments to Private Individuals	\$0	\$0
To the Public	\$2,840,912	\$2,770,473
Increase in Property Tax Revenue	\$2,619,894	\$2,568,524
Temporary Jobs - Sales Tax Revenue	\$148,831	\$148,831
Ongoing Jobs - Sales Tax Revenue	\$72,188	\$53,119
Other Local Municipal Revenue	\$0	\$0
State Benefits	\$1,641,849	\$1,500,197
To the Public	\$1,641,849	\$1,500,197
Temporary Income Tax Revenue	\$956,768	\$956,768
Ongoing Income Tax Revenue	\$464,063	\$341,479
Temporary Jobs - Sales Tax Revenue	\$148,831	\$148,831
Ongoing Jobs - Sales Tax Revenue	\$72,188	\$53,119
Total Benefits to State & Region	\$36,056,783	\$33,120,619

Benefit to Cost Ratio

	Benefit*	Cost*	Ratio
Local	\$31,620,421	\$1,822,143	17:1
State	\$1,500,197	\$877,433	2:1
Grand Total	\$33,120,619	\$2,699,576	12:1

*Discounted at 2%

Additional Comments from IDA

0

Does the IDA believe that the project can be accomplished in a timely fashion? Yes

AFFORDABLE HOUSING PILOT DETERMINATION
PILOT AT 10% SHELTER RENT

Residential Units	76	
Average Rent/Unit Monthly	\$ 756.07	Based on 60% AMI
Utilities Per Unit Monthly	\$ 39.17	
Gross Revenue (at COO)	\$ 689,540.00	Monthly Rent x Units x 12 = Gross Revenue
Utilities	\$ 35,720.00	Utilities Per Unit Annually x Units = Utilities
Shelter Rent	\$ 653,820.00	Gross Revenue - Utilities = Shelter Rent
	10%	
10% Shelter Rent	\$ 65,382.00	Starting PILOT Amount (first 2 years frozen at existing tax amount)
Units	76	
Annual PILOT Per Unit	\$ 860.29	

*1% escalator will be added per year

Total Ad Valorem Taxes:	\$3,187,316
Total PILOT Payments:	\$2,627,394
Real Estate Tax Savings:	\$559,922

APPLICATION FOR BENEFITS / IDA

INSTRUCTIONS

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

APPLICATION FOR FINANCIAL ASSISTANCE

APPLICANT

NAME: 4301 Watson Blvd, LLC

APPLICANT'S STREET ADDRESS: 1000 University Ave, Suite 500

CITY: Rochester

STATE: NY

ZIP: 14607

PHONE: 585-324-0500

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

Michael Birkby

PHONE: 585-324-0546

TITLE: Senior Project Director

EMAIL: mbirkby@coniferllc.com

APPLICANT'S COUNSEL

NAME: Susan Jennings

FIRM: Conifer Realty, LLC

EMAIL: sjennings@coniferllc.com

ADDRESS: 1000 University Ave, Suite 500

CITY: Rochester

STATE: NY

ZIP: 14607

PHONE: 585-324-05

APPLICANT'S ACCOUNTANT

NAME: Michael Hays

FIRM: Flaherty Salmin CPAs

EMAIL: mhays@fs-cpa.com

ADDRESS: 2300 Buffalo Road, Building 200

CITY: Rochester

STATE: NY

ZIP: 14624

PHONE: 585-279-0120

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

PROJECT SUMMARY

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

☐ Industrial ☒ Housing ☐ Multi-Tenant ☐ Back Office ☐ Mixed Use ☐ Civic Facility (not for profit)
☐ Acquisition of Existing Facility ☐ Equipment Purchase ☐ Commercial ☐ Retail ☐ Facility for Aging ☐ Other _____

B: EMPLOYMENT IMPACT (BROOME COUNTY): EXISTING/RETAINED JOBS: 0 NEW JOBS WITHIN THREE YEARS: 3.5

C: PROJECT COST: \$ 39,576,712 D: TYPE OF FINANCING: ☒ TAX-EXEMPT ☐ TAXABLE ☐ STRAIGHT LEASE

E: AMOUNT OF BONDS REQUESTED: \$ 0

F: AMOUNT OF NEW MORTGAGE(S) REQUIRED FOR PROJECT: \$ 39,576,712

G: PROJECT-RELATED COSTS SUBJECT TO SALES TAX: \$ 21,935,831

H: ESTIMATED VALUE OF TAX EXEMPTIONS:

NYS SALES AND COMPENSATING USE TAX \$ 1,754,866

MORTGAGE RECORDING TAXES \$ 395,767

REAL PROPERTY TAX EXEMPTIONS \$ 559,922

REQUESTED TERM OF PILOT: 30

OTHER (PLEASE SPECIFY) _____ \$ _____

I: CURRENT PROPERTY TAX ASSESSMENT \$ 7,500

CURRENT PROPERTY TAXES \$ 7,592

APPLICANT INFORMATION

EMPLOYER'S FEDERAL ID NO. 88-119664

NAICS CODE 531110

1. INDICATE TYPE OF BUSINESS ORGANIZATION OF APPLICANT:

A. ☐ CORPORATION INCORPORATED IN WHAT COUNTRY _____

DATE INCORPORATED _____

TYPE OF CORPORATION _____

WHAT STATE _____

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

B. ☐ PARTNERSHIP TYPE OF PARTNERSHIP _____

OF GENERAL PARTNERS _____

OF LIMITED PARTNERS _____

C. ☐ SOLE PROPRIETORSHIP

D. ☒ LIMITED LIABILITY APPLICANT

DATE CREATED 03/09/2022

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

No

MANAGEMENT OF APPLICANT

List all owners, directors and partners

NAME AND HOME ADDRESS	OFFICE HELD	OTHER PRINCIPAL BUSINESS
Timothy D. Fournier	Member	
Thomas R. Johnson	Member	
Conifer Strategic Partners, LLC	Member	

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

1. an indictment, judgment, conviction, or a grant of immunity, including pending actions, for any business-related conduct constituting a crime? ☐ YES ☒ NO
2. a government suspension or debarment, rejection of any bid or disapproval of any proposed contract, including pending actions, or for lack of responsibility? ☐ YES ☒ NO
3. any final governmental determination of a violation of any public works law or regulation, or labor law regulation? ☐ YES ☒ NO
4. a consent order with the NYS Dept. of Environmental Conservation? ☐ YES ☒ NO
5. an unsatisfied judgment, injunction or lien for any business-related conduct obtained by any federal, state or local government agency including, but not limited to, judgments based on taxes owed and fines and penalties assessed? ☐ YES ☒ NO
6. Has any person listed above or any concern with whom such person has been connected ever been in receivership or been adjudicated in a bankruptcy? ☐ YES ☒ NO

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

IS THE APPLICANT PUBLICLY HELD? ☐ YES ☒ NO

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

NAME	ADDRESS	PERCENTAGE OF HOLDING

APPLICANT'S PRINCIPAL BANK(S) OF ACCOUNT

M&T Bank

PROJECT DATA

1. Attach a complete narrative description of Project including location, proposed product lines and market projections, square feet by usage, type of construction, machinery for products, machinery for building, office and parking
2. Attach a photo of the site or existing facility to be improved.
3. Attach copies of preliminary plans or sketches of proposed construction or floor plan of existing facility.
4. Are utilities on site or must they be brought in? If so, which ones?

Utilities are on site

5. Who presently is legal owner of building or site?

IBM Country Club LLC

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

☒ YES ☐ NO

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

☐ YES ☒ NO

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

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

OWNER

Yes

TENANT

No

9. Zoning district in which Project is located

General Commercial

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

☐ YES ☒ NO

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

☐ YES ☒ NO

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

☐ YES ☒ NO

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

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

☐ YES ☐ NO

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

☐ YES ☐ NO

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

☐ YES ☒ NO

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

%

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

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

☐ YES ☐ NO

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

☐ YES ☐ NO

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

☐ YES ☐ NO

D. Is the predominant purpose of the Project to make available goods or services which would not, but for the Project, be reasonably accessible to the residents of the city, town or village within which the Project will be located, because of a lack of reasonably accessible retail trade facilities offering such goods or services? If yes, please explain:

☐ YES ☐ NO

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

☐ YES ☐ NO

F. If the answers to any of subdivisions c. through e. of question 16 is yes, will the Project preserve permanent, private sector jobs or increase the overall number of permanent, private sector jobs in the State of New York?

☐ YES ☐ NO

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

Town of Union - Site Plan Approval/Building Permit, NYS HCR - Funding Approval, Broome County IDA - PILOT Approval

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

Funding is contingent upon an award from NYS HCR, Local approvals are required for site plan and building permit approval

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

☐ YES ☒ NO

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

\$0 - At this time and stage of the project no funds have been expended to date

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

The project is required to follow mandatory green building practices from HCR and seek certification from NYSEDA New Construction Program

PROJECT BENEFITS/COSTS

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

4301 Watson Blvd, LLC

2. ESTIMATED AMOUNT OF PROJECT BENEFITS SOUGHT:

A. Amount of Bonds Sought	\$ 0.00
B. Value of Sales Tax Exemption Sought	\$ 1,754,866.00
C. Value of Real Property Tax Exemption Sought	\$ 559,922.00
D. Value of Mortgage Recording Tax Exemption Sought	\$ 395,767.00
E. Interest Savings IRB Issue	\$ 0.00

3. SOURCES AND USES OF FUNDS:

Financing Sources	
Equity	\$ 15,722,428.00
Local Banks	\$ 0.00
Broome County	\$ 2,000,000.00
NYSERDA	\$ 300,000.00
NYS HCR	\$ 13,126,712.00
Other	\$ 8,427,572.00
TOTAL	\$ 39,576,712.00

Application of Funds	
Land	\$ 300,000.00
Building Acquisition/Construction	\$ 29,948,949.00
Expansion/Renovation	0.00
Machinery & Equipment	\$ 0.00
Working Capital	\$ 380,000.00
Other	\$ 8,947,763.00
TOTAL	\$ 39,576,712.00

Project Description:

The proposed development will include the demolition of the existing structure and the construction of a new double-loaded corridor apartment building. The proposed development will create 75 new mixed-income apartments affordable to families earning between 30 % and 90 % of the Area Median Income ("AMI"). The three-story, double-loaded corridor, elevator building will be approximately 35 feet tall and contain 18 one-bedroom apartments, 38 two-bedroom apartments, and 19 three bedroom apartments. Vehicular access will be provided off of Watson Boulevard with parking lots on both ends of the building. The central drive connecting the two parking lots will provide a convenient drop off area directly in front of the main entrance canopy and doors, also providing ADA accessible parking adjacent to the entry. The proposed development will be constructed as a wood-framed structure that will hold all 75 apartments, as well as communal amenities such as a fitness center, community room with kitchenette, laundry facilities, outdoor patio, and playground. There will also be an on-site management office and maintenance shop.

4. PROJECTED PROJECT INVESTMENT:

A. Building and Land Related Costs	\$	300000
1. Land acquisition	\$	0.00
2. Acquisition of existing structures	\$	0.00
3. Renovation of existing structures	\$	29,948,949.00
4. New construction		
C. Machinery and Equipment Costs	\$	0.00
D. Furniture and Fixture Costs	\$	50,000.00
E. Working Capital Costs	\$	380,000.00
F. Professional Services/Development Costs		
1. Architecture and Engineering	\$	892,450.00
2. Accounting/legal	\$	231,500.00
3. Development Fee	\$	3,830,867.00
4. Other service-related costs (describe)	\$	197,475.00
G. Other Costs	\$	3,483,578.00
H. Summary of Expenditures		
1. Total Land-Related Costs	\$	300,000.00
2. Total Building-Related Costs	\$	29,948,949.00
3. Total Machinery and Equipment Costs	\$	0.00
4. Total Furniture and Fixture Costs	\$	50,000.00
5. Total Working Capital Costs	\$	380,000.00
6. Total Professional Services/Development Costs	\$	5,152,292.00
7. Total Other Costs	\$	3,745,471.00
<hr/>		
TOTAL PROJECT COST	\$	39,576,712.00
AGENCY FEE 1% (1% OF PROJECT COST)	\$	395,767.00
TOTAL PROJECT EXPENDITURES	\$	39,972,479.00

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

☐ YES ☒ NO

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

The project includes the removal of an existing blighted building and construction of outdoor greenspace/park to be conveyed to the Municipality

PROJECTED CONSTRUCTION EMPLOYMENT IMPACT

Please provide estimates of total construction jobs at the Project:

YEAR	CONSTRUCTION JOBS (Annual wages and benefits \$40,000 and under)	CONSTRUCTION JOBS (Annual wages and benefits over \$40,000)
CURRENT	35.00	95.00
YEAR 1		
YEAR 2		
YEAR 3		

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

YEAR	TOTAL ANNUAL WAGES AND BENEFITS
CURRENT	\$ 0.00
YEAR 1	\$ 8,756,000.00
YEAR 2	\$ 2,189,000.00
YEAR 3	\$ 0.00

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

PROJECTED PERMANENT EMPLOYMENT IMPACT

PROJECTED EMPLOYMENT FIGURES - YEAR ONE	UNDER \$30,000	\$30,000 – \$50,000	\$50,000 – \$75,000	OVER \$75,000
Number of Full-Time Employees (FTE) earning		1	2	
Number of Part-Time Employees earning	1			

Total Payroll For Full-Time Employees	\$	38,000.00	110,000.00	
Total Payroll For Part-Time Employees	\$	28,000.00		
Total Payroll For All Employees	\$			

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

Total Payroll For Full-Time Employees	\$			
Total Payroll For Part-Time Employees	\$			
Total Payroll For All Employees	\$			

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

Total Payroll For Full-Time Employees	\$			
Total Payroll For Part-Time Employees	\$			
Total Payroll For All Employees	\$			

REPRESENTATIONS BY THE APPLICANT

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

- 1. STATEMENT OF NEED:** Applicant affirms that there is a likelihood that the project would not be undertaken but for the financial assistance provided by the Agency, or if not, the applicant will provide a statement indicating the reasons the project should be undertaken by the Agency.
- 2. JOB LISTINGS:** Except as otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the Project will be listed with the New York State Department of Labor Community Services Division (the "DOC") and with the administrative entity (collectively with the DOC, the "JTPA Entities") of the service delivery area created by the federal job training partnership act (Public Law 97-300) ("JTPA") in which the Project is located.
- 3. FIRST CONSIDERATION FOR EMPLOYMENT:** In accordance with Section 858-b(2) of the New York General Municipal Law, Applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency/IDA, except as otherwise provided by collective bargaining agreements, where practicable, the Applicant will first consider persons eligible to participate in JTPA programs who shall be referred by the JTPA Entities for new employment opportunities created as a result of the Project.
- 4. ANNUAL SALES TAX FILINGS:** In accordance with Section 874(8) of the New York General Municipal Law, the Applicant understands and agrees that, if the Project receives any sales tax exemptions as part of the Financial Assistance from the Agency/IDA, in accordance with Section 874(8) of the General Municipal Law, the Applicant agrees to file, or cause to be filed, with the New York State Department of Taxation and Finance, the annual form prescribed by the Department of Taxation and Finance, describing the value of all sales tax exemptions claimed by the Applicant and all consultants or subcontractors retained by the Applicant.
- 5. REGULATORY COMPLIANCE:** Applicant is in substantial compliance with applicable local, state and federal tax, worker protection and environmental laws and all provisions of article 18-a of the General Municipal Law.
- 6. EMPLOYMENT:** The Applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency/IDA, the Applicant agrees to file, or cause to be filed, with the Agency/IDA, on an annual basis, reports regarding the number of people employed at the Project site. The Chief Executive Office shall submit to the Agency/IDA prior to February 1 of each year, a written certification setting forth
 - Number of full-time employees at the Project location in the preceding calendar year;
 - Number of part-time employees at the Project location in the preceding calendar year;
 - Gross payroll of all employees at the Project location in the preceding calendar year.
- 7. RECAPTURE POLICY:** The Agency/IDA reserves the right to recapture all or part of any benefits provided to the applicant if any of the following occur:
 - a. The Project Facility as defined in the PILOT/Lease Agreement is sold or closed and the Applicant leaves or departs Broome County.
 - b. There is a significant change in the use of the Project Facility and/or business activities of the Applicant.
 - c. There is a significant reduction in the number of full/part-time jobs at the Project Facility in comparison to what was estimated in the Applicant's Project Application that are not reflective of the Applicant's normal business cycle or national economic conditions.
 - d. The Applicant fails to fully comply with all periodic and/or annual reporting requirements of the Agency/IDA, State or Federal government.
 - e. The Applicant failed to achieve any minimal new job creation figures specified by and within the time-frames specified by the Agency/IDA.
 - f. Failure of the applicant to make timely PILOT payments.
 - g. Failure to cooperate with Agency personnel in providing data of project progress.
 - h. The applicant has committed a material violation of the terms & conditions of a project agreement.
 - i. The applicant has committed a material violation of the terms & conditions of the sales and use tax exemption benefit.

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

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

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

The Agency/**IDA** has established a general Agency fee in the amount of 1% of the total cost of the project.

The Agency/**IDA** will charge annually an administrative fee of \$1,500 to cover ongoing compliance and oversight; the fee shall be payable January 1 of each year until all financing documents shall terminate and be discharged and satisfied.


Applicant

By: Michael Birkby

Title: Senior Project Director

DOCUMENT LISTS

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

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

1. A \$1,000 Application Fee. _____ ☒ YES ☐ NO
2. An EAF (Environmental Assessment Form). _____ ☒ YES ☐ NO
3. Have financing arrangements been made _____ ☒ YES ☐ NO

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

1. Insurance Certificate
Certificate of Worker's Compensation Insurance (The Agency/IDA named as additional insured). _____ ☐ YES ☐ NO

Certificate of General Liability Insurance (The Agency/IDA named as additional insured). Limits not less than \$1,000,000 per occurrence/accident and a blanket excess liability not less than \$3,000,000. _____ ☐ YES ☐ NO

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

CERTIFICATION

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

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

As of the date of the Application this project is in substantial compliance with all provisions of GML Article 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 has read and fully understands The Agency/IDA's Uniform Tax Exemption Policy.

Applicant hereby releases The Agency/IDA and the members, officers, servants, agents and employees thereof (hereinafter collectively referred to as the "Agency/IDA") from, agrees that the Agency/IDA shall not be liable for and agrees to indemnify, defend and hold the Agency/IDA harmless from and against any and all liability arising from or expense incurred by: (i) the Agency/IDA's examination and processing of, and action pursuant to or upon, the attached Application, regardless of whether or not the Application or the Project described therein or the issue of bonds requested therein are favorably acted upon by the Agency/IDA; and (ii) the Agency/IDA's financing of the Project described therein, including without limiting the generality of the foregoing, all causes of action and attorneys' fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. If, for any reason, the Applicant fails to conclude or consummate necessary negotiations, or fails, within a reasonable or specified period of time, to take reasonable, proper or requested action, or withdraws, abandons, cancels or neglects the Application, or if the Agency/IDA or the Applicant are unable to find buyers willing to purchase the total bond issue requested, then, and in that event, upon presentation of an invoice itemizing the same, the Applicant shall pay to the Agency/IDA, its agents or assigns, all actual costs incurred by the Agency/IDA in the processing of the Application, including attorneys' fees, if any. By:


(Applicant)

Sworn to before me this

8th day of March, 2023.


(Notary Public)

S. STURMAN JENNINGS
Notary Public, State of New York
No 02JE6046835
Qualified in Monroe County
Commission Expires August 11, 2023

APPENDIX A – ATTACHMENT TO APPLICATION FOR FINANCIAL ASSISTANCE

Local General Contractor, Subcontractor, Trades and Labor Policy

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

Every applicant is obligated to provide written proof and data (see attached ... forms) to the Agency/IDA as to the physical location of all the contractors who 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 Conifer Realty, LLC (the Applicant) understands the Local Labor Policy and agrees to submit either or both a Local Labor Utilization Report or a Non Local Labor Utilization Report at the time that construction 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 March 8, 2022 (Submission date).

APPLICANT: Conifer Realty, LLC

REPRESENTATIVE FOR CONTRACT BIDS/AWARDS: Michael Birkby

ADDRESS: 1000 University Ave, Suite 500

CITY: Rochester STATE: NY ZIP: 14607 PHONE: 585-324-0546

EMAIL: mbirkby@coniferllc.com

PROJECT ADDRESS: 4301 Watson Blvd

AUTHORIZED REPRESENTATIVE: Michael Birkby TITLE: Senior Project Director

SIGNATURE: 

Sworn to before me this

8TH day of March, 2022.


(Notary Public)

S. STURMAN JENNINGS
Notary Public, State of New York
No. 02JI:6096835
Qualified in Monroe County
Commission Expires August 11, 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@bxs-tier.com
(607) 771-7000

Binghamton/Oneonta Building Trades Council 11
Griswold Street
Binghamton, NY 13904
raikens@luoe158.org
(607) 723-9593

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
(877) 784-9556

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: PROJECT ADDRESS: 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 & 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: PROJECT ADDRESS: 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	21,935,831.00				
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



Broome County IDA

RFP for Purchase & Redevelopment: 4301 Watson Blvd.

September 1, 2021

conifer® 
REAL ESTATE DEVELOPMENT, CONSTRUCTION & MANAGEMENT



September 1, 2021

Mr. Brendan O'Bryan
Community Development Specialist
The Agency- Broome County IDA
5 South College Dr., Suite 201
Binghamton, NY 13905

Dear Mr. O'Bryan:

Please find below the terms and conditions of an offer from Conifer Realty, LLC ("Buyer") to the Broome County IDA ("Seller") to purchase the former IBM Country Club (the "Property").

The Property: The Property to be transferred by Seller to Buyer consists of the real estate located at 4301 Watson Boulevard, Union, NY, 13760. The parcel is approximately 9.33 acres indicated on the tax parcel map as 142.02-1-19. The Property shall be transferred free of all liens and encumbrances.

Purchase Price: The Purchase Price for the Property shall be ONE HUNDRED THOUSAND DOLLARS (\$100,000.00).

Buyer shall pay to Seller the entire Purchase Price in cash at Closing.

Deposit: Upon execution of a Purchase Contract, the Buyer shall escrow a cash earnest money deposit of \$25,000. The deposit will become non-refundable upon expiration of the Due Diligence Period except for the Contingencies listed below. It shall be held by an escrow agent in an interest-bearing account, to be applied against the Purchase Price at Closing.

Due Diligence: Buyer shall have a Due Diligence Period of 90 days from execution of a Purchase Contract.

Closing: Closing shall occur on or before December 31, 2023. Buyer shall have the option to extend Closing to December 31, 2024 upon 30 days written notice to Seller.

Contingencies: Buyer's obligation to close shall be contingent upon the following (the "Contingencies"):

- a) Buyer's receipt of necessary governmental approvals to acquire, develop and operate a minimum of 76 residential units at the Property. Buyer shall be responsible for obtaining such approvals and paying for the cost of the approvals;
- b) Buyer's receipt of a tax credit award and financing commitments to cover the costs of acquisition and development of the Property, satisfactory to Buyer in its sole discretion. These financing commitments shall include a subsidy loan from Broome County in an amount no less than \$2,000,000.00;
- c) Buyer's confirmation that utility access and capacity are satisfactory to Buyer in its sole discretion;

a HOME for possibilities.

www.coniferllc.com

1000 UNIVERSITY AVENUE, SUITE 500, ROCHESTER, NY 14607

[E] contactus@coniferllc.com [P] (585) 324-0500



- d) Buyer's receipt of a PILOT agreement and exemptions from mortgages and sales taxes from the Broome County IDA, satisfactory to Buyer in its sole discretion.

Exclusivity: From the date of acceptance of this offer by the Seller until a purchase contract is executed, Seller agrees that it shall not advertise, offer to sell or execute any other agreement or contract to sell the Property to any other party. Seller acknowledges that Buyer will be expending time and money in performing due diligence on the Property during this period and will be damaged if Seller violates this provision.

Except for the exclusivity provision in the immediately preceding paragraph, this offer is a non-binding Agreement. Seller and Buyer shall become legally bound to each other only upon execution by both parties of a purchase contract. The parties agree to act in good faith to execute a purchase contract within 30 days of Seller's acceptance of this letter.

This offer shall remain in effect until October 31, 2021.

Sincerely,



Sam Leone
Executive Vice President

Agreed to and accepted by:
SELLER:

By: _____

Date: _____

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1000 UNIVERSITY AVENUE, SUITE 500, ROCHESTER, NY 14607

[E] contactus@coniferllc.com [P] (585) 324-0500



DEVELOPMENT APPROACH

I. PROJECT DESCRIPTION & DEVELOPMENT APPROACH

By reactivating an underutilized property, which currently serves as a vacant country club, the proposed development will create a much-needed quality, permanent affordable housing community for families in Johnson City.

The proposed development will include the demolition of the existing structure and the construction of a new double-loaded corridor apartment building. The proposed development will create 75 new mixed-income apartments affordable to families earning between 30 % and 90 % of the Area Median Income ("AMI"). The three-story, double-loaded corridor, elevator building will be approximately 35 feet tall and contain 18 one-bedroom apartments, 38 two-bedroom apartments, and 19 three-bedroom apartments. Vehicular access will be provided off of Watson Boulevard with parking lots on both ends of the building. The central drive connecting the two parking lots will provide a convenient drop off area directly in front of the main entrance canopy and doors, also providing ADA accessible parking adjacent to the entry. The proposed development will be constructed as a wood-framed structure that will hold all 75 apartments, as well as communal amenities such as a fitness center, community room with kitchenette, laundry facilities, outdoor patio, and playground. There will also be an onsite management office and maintenance shop.

The architectural style is transitional, inspired by the historic architecture in the region. Using familiar forms and details, the design composes historic and present-day materials in a contemporary way. The use of brick and masonry at the ground level helps to keep the building durable where it gets the most abuse. Fiber cement, EIFS and lap siding are used above the ground level and add to the different textures and scale of the building to create a pleasant composition. The entry canopy and shading devices add detail and provide shading and shelter and help mitigate direct solar heat gain in the warmer months.

The development will incorporate green building techniques and will be certified through the New York State Energy Research & Development Authority New Construction 3rd Tier Program (NYSERDA). The proposed development's building systems will be fully electric creating a carbon neutral environment. Residential units will be heated and cooled with highly efficient ductless heat pumps and all appliances will be ENERGY STAR rated.

10% of the units will be fully adapted to be accessible for persons with mobility impairments and 4% will be adapted for persons with hearing/visual impairments.

Proposed financing sources include federal Low Income Housing Tax Credit equity, NY State Low Income Housing Tax Credit equity, NYS Housing Trust Funds, Federal Housing Trust Funds, and a conventional mortgage. Conifer is highly experienced with securing this type of financing.

II. TECHNICAL ISSUES WITH WATERFRONT DEVELOPMENT

A significant portion of the site is located within the 1% annual flood zone. This creates unique challenges to the redevelopment of the site. As an initial step, the proposed building is located mostly out of the flood zone and therefore does not require all 9.3 acres of the site. However, since so much of the site is within the flood zone, a small portion of the building's footprint will need to be elevated to keep from flooding hazards. Many of the other features on the proposed site plan, including most of the resident parking and proposed community amenities will remain within the flood zone.

Beyond the physical design of the site and building, the project will also have to satisfy the requirements of NYS Homes and Community Renewal (NYSHCR) and an insurance provider. NYSHCR is New York's primary housing finance agency responsible for allocating low-income housing tax credits. As part of their project evaluations, NYSHCR evaluates the site suitability for development of affordable housing

through the lens of environmental justice by evaluating the surrounding area for uses or features that may adversely affect the health and well-being of future residents. While this certainly does not preclude development of the project as proposed, it may require some time to work through these concerns with NYSHCR.

At a minimum, NYSCHR, other lenders, and investors, will require the project to obtain flood insurance. This will add to the ongoing operation expenses of the development and there may be additional design features that the insurance carrier will require to provide coverage.

III. PROJECT TIMELINE

Once the proposed development is selected as the qualified bid, Conifer and the IDA will enter into a Purchase and Sale agreement based on the terms of the Letter of Intent included within this proposal. Conifer will have a 90-day due diligence period from the time of an executed Purchase and Sale agreement. The Financing Plan proposed includes 9% Low Income Housing Tax Credits issued through NYS Homes and Community Renewal (NYS HCR). These tax credits are awarded as part of a competitive process bi-annually with applications due in January and August.

The proposed development is anticipated to be submitted into NYS HCR in August 2022. If a funding award is secured by December of 2022, the proposed development would close on all construction financing and begin construction by December 2023. It's anticipated that site plan approval will occur in June 2023. Final PILOT approval is anticipated in March 2023.

The proposed development is expected to have a 16-month construction period with a completion date of April 2025. It's anticipated that the project will be fully leased by November 2025.

IV. PARTNERSHIP STRUCTURE

Conifer will form an HDFC to hold the fee title to the site to facilitate the PILOT agreement and a limited liability company ("LLC") will be formed to retain the beneficial interest. Conifer or an affiliate will hold a 0.001% managing member interest in the LLC. An Investor Member will be added to the LLC and will purchase a 99.99% interest. Below please find a list of development team members along with their project roles and responsibilities:

- **Conifer, LLC (Conifer)**

Developer

Conifer will be primarily responsible for pre-construction tasks including acquisition, design, approvals, and financing. It will provide compliance, third party supervision and construction monitoring. Conifer will arrange for all required guarantees for the project. Susan Jennings, Conifer's General Counsel, will complete all organizational filings and loan/equity closings.

Conifer works in multiple states with virtually every housing program and utilizes a hands-on expert approach in assembling and integrating the right programs to meet the objectives of every development. Conifer has extensive experience with HTF, LIHTC and SLIHC Developments. Over the past 10 years, in NYS, Conifer has acted as Developer on 14 HTF Developments, 28 LIHTC Developments, 4 SLIHC Developments. Since 2011, Conifer has developed 28 affordable apartment communities in NYS (2,278 units) with total development costs (TDC) exceeding \$4.5M; an additional 6 communities are in various stages of construction and development with over \$3M in TDC.

- **Conifer-LeChase Construction, LLC (CLC)**

General Contractor

Dedicated to creating sustainable developments, the construction team at CLC brings an award-winning combination of knowledge; with a professional staff of project managers and estimators, CLC has significant experience with LIHC, SLIHC and HTF projects. Over the past 10 years, CLC has completed 28 NYS Developments totaling over 2,278 units, accumulating over \$438,541,960 in total development costs.

The proposed development will have a fixed construction contract with the General Contractor.

- **Conifer Management, LLC (CMLLC)**
Management Agent

CMLLC will bring their extensive property management experience to work for this project. Conifer Management currently manages 15,340 apartment units in four states and 234 apartment communities. Since the inception of the Low-Income Housing Credit Program CMLLC has maintained an impeccable reputation of compliance and customer satisfaction.

Conifer's internal Marketing Department will offer Leasing & Marketing support services. The department will complete a community specific marketing plan outline that develops a target audience, sets an advertising plan, outlines area competition, and ensures curb appeal at the site.

In addition, Conifer Management has an internal Compliance Department to assist and support the management operation as it relates to numerous "affordable" financing commitments. Compliance team members offer Property Management staff training, on-going monitoring and audit functions for Tax Credit Bond, Section 8, Rural Development, and other regulated programs. The Compliance Department reviews every move-in file for all units Conifer currently manages in four states. In addition to its own review, Conifer employs two third party tax credit compliance companies to review Conifer's initial lease up files for any new tax credit property or acquisition rehab property.

V. PUBLIC AMENITIES

Given the significant space that will not be occupied by the apartment building there is ample opportunity to provide public amenities on the site, particularly at the corner of Watson Boulevard and Barton Avenue. The proposed site plan shows a ballfield in this area, but other types of outdoor recreation facilities could be developed as well. These types of amenities could easily be incorporated in the development if ownership of these facilities are transferred to the Town, County, or other public entity to provide for long-term maintenance and enable access to the general public. In addition to ownership and operating of the amenity space, capital resources to support the public amenities would be required from the local municipalities.

DESIGN & INNOVATION

- Design Narrative
- Preliminary Plans
 - Site Plan
 - First Floor Plan
 - Second Floor Plan
 - Third Floor Plan
 - Front Elevation
 - Entrance Rendering

DESIGN APPROACH

- a. The proposed development will create 75 new mixed-income apartments affordable to families earning between 30 % and 90 % of the Area Median Income ("AMI"). The three-story, double-loaded corridor, elevator building will be approximately 35 feet tall and contain 18 one-bedroom apartments, 38 two-bedroom apartments, and 19 three-bedroom apartments.

Vehicular access will be provided from Watson Boulevard with parking lots on both ends of the building. The central drive connecting the two parking lots will provide a convenient drop off area directly in front of the main entrance canopy and doors, also providing ADA accessible parking adjacent to the entry.

- b. Enclosed please find conceptual plans

- c. The architectural style is transitional, inspired by the historic architecture in the region. Using familiar forms and details, the design composes historic and present-day materials in a contemporary way. The use of brick and masonry at the ground level helps to keep the building durable where it gets the most abuse. Fiber cement, EIFS and lap siding are used above the ground level and add to the different textures and scale of the building to create a pleasant composition. The entry canopy and shading devices add detail and provide shading and shelter and help mitigate direct solar heat gain in the warmer months.

The proposed development will be constructed as a wood-framed structure that will hold all 75 apartments, as well as communal amenities such as a fitness center, community room with kitchenette, laundry facilities, outdoor patio, and playground. There will also be an onsite management office and maintenance shop.

- d. The development will incorporate green building techniques and will be certified through the New York State Energy Research & Development Authority New Construction 3rd Tier Program (NYSERDA). The proposed development's building systems will be fully electric creating a carbon neutral environment. Residential units will be heated and cooled with highly efficient ductless heat pumps and all appliances will be ENERGY STAR rated.

10% of the units will be fully adapted to be accessible for persons with mobility impairments and 4% will be adapted for persons with hearing/visual impairments.

PROJECT TOTAL UNIT MATRIX

ONE BEDROOM	18
TWO BEDROOM	38
THREE BEDROOM	19
PROJECT TOTAL	75



FIRST FLOOR UNIT MATRIX

ONE BEDROOM	7
TWO BEDROOM	11
THREE BEDROOM	5
FIRST FLOOR TOTAL	23



Second Floor Plan
Redevelopment of 4301 Watson Boulevard



Third Floor Plan
Redevelopment of 4301 Watson Boulevard



Front Elevation
Redevelopment of 4301 Watson Boulevard

SWBR



Entrance Rendering
Redevelopment of 4301 Watson Boulevard

conifer 
REAL ESTATE DEVELOPMENT CONSTRUCTION & MANAGEMENT

SWBR

Short Environmental Assessment Form

Part 1 - Project Information


Instructions for Completing

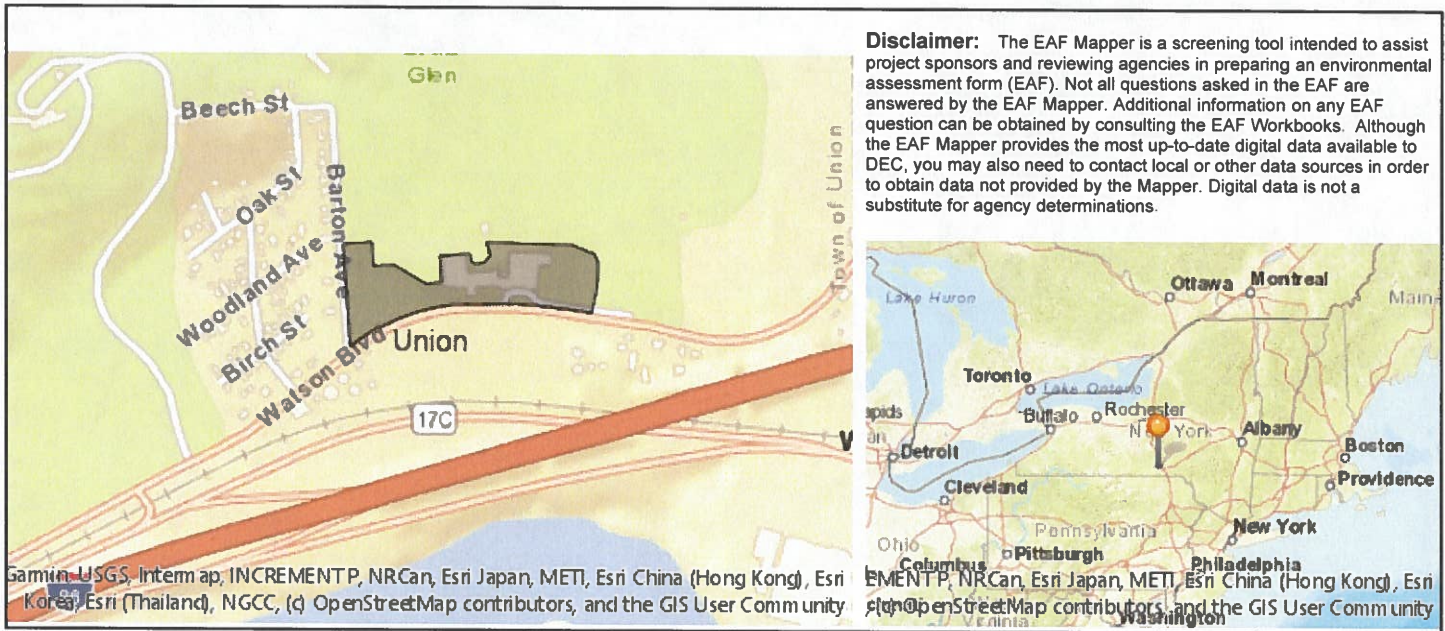
Part 1 – Project Information. The applicant or project sponsor is responsible for the completion of Part 1. Responses become part of the application for approval or funding, are subject to public review, and may be subject to further verification. Complete Part 1 based on information currently available. If additional research or investigation would be needed to fully respond to any item, please answer as thoroughly as possible based on current information.

Complete all items in Part 1. You may also provide any additional information which you believe will be needed by or useful to the lead agency; attach additional pages as necessary to supplement any item.

Part 1 – Project and Sponsor Information			
Name of Action or Project: Watson Blvd Affordable Housing			
Project Location (describe, and attach a location map): 4301 Watson Blvd, Johnson City, NY 13790			
Brief Description of Proposed Action: The proposed development will include the demolition of the existing structure and the construction of a new double-loaded corridor apartment building. The proposed development will create 75 new mixed-income apartments affordable to families earning between 30 % and 90 % of the Area Median Income ("AMI"). The three-story, double-loaded corridor, elevator building will be approximately 35 feet tall and contain 18 one-bedroom apartments, 38 two-bedroom apartments, and 19 three bedroom apartments. Vehicular access will be provided off of Watson Boulevard with parking lots on both ends of the building. The central drive connecting the two parking lots will provide a convenient drop off area directly in front of the main entrance canopy and doors, also providing ADA accessible parking adjacent to the entry. The proposed development will be constructed as a wood-framed structure that will hold all 75 apartments, as well as communal amenities such as a fitness center, community room with kitchenette, laundry facilities, outdoor patio, and playground. There will also be an on-site management office and maintenance shop.			
Name of Applicant or Sponsor: Conifer Realty, LLC		Telephone: 585-324-0500 E-Mail: mbirkby@coniferllc.com	
Address: 1000 University Ave, Suite 500			
City/PO: Rochester		State: NY	Zip Code: 14607
1. Does the proposed action only involve the legislative adoption of a plan, local law, ordinance, administrative rule, or regulation? If Yes, attach a narrative description of the intent of the proposed action and the environmental resources that may be affected in the municipality and proceed to Part 2. If no, continue to question 2.			NO <input type="checkbox"/> YES <input checked="" type="checkbox"/>
2. Does the proposed action require a permit, approval or funding from any other government Agency? If Yes, list agency(s) name and permit or approval: Funding Approval from NYS Homes and Community Renewal			NO <input type="checkbox"/> YES <input checked="" type="checkbox"/>
3. a. Total acreage of the site of the proposed action?		9.33 acres	
b. Total acreage to be physically disturbed?		9.33 acres	
c. Total acreage (project site and any contiguous properties) owned or controlled by the applicant or project sponsor?		9.33 acres	
4. Check all land uses that occur on, are adjoining or near the proposed action:			
5. <input type="checkbox"/> Urban <input type="checkbox"/> Rural (non-agriculture) <input type="checkbox"/> Industrial <input checked="" type="checkbox"/> Commercial <input type="checkbox"/> Residential (suburban) <input type="checkbox"/> Forest <input type="checkbox"/> Agriculture <input type="checkbox"/> Aquatic <input type="checkbox"/> Other(Specify): <input type="checkbox"/> Parkland			

		NO	YES	N/A
5. Is the proposed action,				
a. A permitted use under the zoning regulations?		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. Consistent with the adopted comprehensive plan?		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
6. Is the proposed action consistent with the predominant character of the existing built or natural landscape?			NO	YES
		<input type="checkbox"/>	<input checked="" type="checkbox"/>	
7. Is the site of the proposed action located in, or does it adjoin, a state listed Critical Environmental Area?			NO	YES
If Yes, identify: _____		<input checked="" type="checkbox"/>	<input type="checkbox"/>	
8. a. Will the proposed action result in a substantial increase in traffic above present levels?			NO	YES
		<input checked="" type="checkbox"/>	<input type="checkbox"/>	
b. Are public transportation services available at or near the site of the proposed action?		<input type="checkbox"/>	<input checked="" type="checkbox"/>	
c. Are any pedestrian accommodations or bicycle routes available on or near the site of the proposed action?		<input type="checkbox"/>	<input checked="" type="checkbox"/>	
9. Does the proposed action meet or exceed the state energy code requirements?			NO	YES
If the proposed action will exceed requirements, describe design features and technologies: _____ _____		<input type="checkbox"/>	<input checked="" type="checkbox"/>	
10. Will the proposed action connect to an existing public/private water supply?			NO	YES
If No, describe method for providing potable water: _____ _____		<input type="checkbox"/>	<input checked="" type="checkbox"/>	
11. Will the proposed action connect to existing wastewater utilities?			NO	YES
If No, describe method for providing wastewater treatment: _____ _____		<input type="checkbox"/>	<input checked="" type="checkbox"/>	
12. a. Does the project site contain, or is it substantially contiguous to, a building, archaeological site, or district which is listed on the National or State Register of Historic Places, or that has been determined by the Commissioner of the NYS Office of Parks, Recreation and Historic Preservation to be eligible for listing on the State Register of Historic Places?			NO	YES
		<input type="checkbox"/>	<input checked="" type="checkbox"/>	
b. Is the project site, or any portion of it, located in or adjacent to an area designated as sensitive for archaeological sites on the NY State Historic Preservation Office (SHPO) archaeological site inventory?		<input type="checkbox"/>	<input checked="" type="checkbox"/>	
13. a. Does any portion of the site of the proposed action, or lands adjoining the proposed action, contain wetlands or other waterbodies regulated by a federal, state or local agency?			NO	YES
		<input type="checkbox"/>	<input checked="" type="checkbox"/>	
b. Would the proposed action physically alter, or encroach into, any existing wetland or waterbody?		<input checked="" type="checkbox"/>	<input type="checkbox"/>	
If Yes, identify the wetland or waterbody and extent of alterations in square feet or acres: _____ _____ _____				

14. Identify the typical habitat types that occur on, or are likely to be found on the project site. Check all that apply: <input type="checkbox"/> Shoreline <input type="checkbox"/> Forest <input type="checkbox"/> Agricultural/grasslands <input type="checkbox"/> Early mid-successional <input type="checkbox"/> Wetland <input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban		
15. Does the site of the proposed action contain any species of animal, or associated habitats, listed by the State or Federal government as threatened or endangered? Bald Eagle	NO	YES
	<input type="checkbox"/>	<input checked="" type="checkbox"/>
16. Is the project site located in the 100-year flood plan?	NO	YES
	<input type="checkbox"/>	<input checked="" type="checkbox"/>
17. Will the proposed action create storm water discharge, either from point or non-point sources? If Yes, a. Will storm water discharges flow to adjacent properties? b. Will storm water discharges be directed to established conveyance systems (runoff and storm drains)? If Yes, briefly describe:	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>
18. Does the proposed action include construction or other activities that would result in the impoundment of water or other liquids (e.g., retention pond, waste lagoon, dam)? If Yes, explain the purpose and size of the impoundment: _____ Storm water management facilities TBD at this time	NO	YES
	<input type="checkbox"/>	<input checked="" type="checkbox"/>
19. Has the site of the proposed action or an adjoining property been the location of an active or closed solid waste management facility? If Yes, describe: _____	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
20. Has the site of the proposed action or an adjoining property been the subject of remediation (ongoing or completed) for hazardous waste? If Yes, describe: _____	NO	YES
	<input type="checkbox"/>	<input checked="" type="checkbox"/>
I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND ACCURATE TO THE BEST OF MY KNOWLEDGE Applicant/sponsor/name: <u>Conifer Realty, LLC</u> Date: <u>03/08/2022</u> Signature: <u></u> Title: <u>Sr. Project Director</u>		



Part 1 / Question 7 [Critical Environmental Area]	No
Part 1 / Question 12a [National or State Register of Historic Places or State Eligible Sites]	Yes
Part 1 / Question 12b [Archeological Sites]	Yes
Part 1 / Question 13a [Wetlands or Other Regulated Waterbodies]	Yes - Digital mapping information on local and federal wetlands and waterbodies is known to be incomplete. Refer to EAF Workbook.
Part 1 / Question 15 [Threatened or Endangered Animal]	Yes
Part 1 / Question 15 [Threatened or Endangered Animal - Name]	Bald Eagle
Part 1 / Question 16 [100 Year Flood Plain]	Digital mapping data are not available or are incomplete. Refer to EAF Workbook.
Part 1 / Question 20 [Remediation Site]	Yes

Broome County Industrial Development Agency Uniform Tax Exemption Policy

Section 1. Purpose

The Mission of the Broome County Industrial Development Agency (“BCIDA”) is to serve as a partner, catalyst, and investor that delivers clear benefits including job opportunities, development sites, and enhanced quality of life. The Agency promotes and leverages all available resources and Broome County’s strengths to foster economic growth and create prosperity in an ethically transparent manner.

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

Section 2. Statutes Authorizing IDAs

Industrial Development Agencies are formed under and governed by Article 18-A of the New York State General Municipal Law (the “IDA Act”) as public benefit corporations. IDAs, as local authorities, promote, encourage, attract, and develop sites and support investments in real property for the purposes of job creation, business retention and attraction and other economic priorities as identified by their respective community.

The New York Industrial Development Agency Reform Act of 1993 (Chapters 356 and 357) created a new General Municipal Law Section 874 (4) that requires IDAs to establish the Uniform Tax Exemption Policy (UTEP). This written policy shall provide guidelines for the granting of real property, mortgage recording, and sales and use tax exemptions. The Act also requires IDAs to establish a procedure for deviation to the UTEP. IDAs may grant enhanced or reduced benefits on a case-by-case basis and this approval is at the sole discretion of the IDA.

Section 3. Program Objectives

The purpose of the BCIDA is to serve as an economic development resource, often in conjunction with other financing and economic development programs; to provide support to projects for industrial, commercial, housing, qualified retail, tourism, and other types of projects deemed to have a significant positive economic impact in Broome County. The BCIDA seeks to stimulate desirable and sound economic development to create and retain jobs; strengthen the local tax base; improve the quality of life; provide quality housing; and to align with recognized state, regional, or local development strategies.

Section 4. Types of Financial Assistance

The BCIDA provides financial assistance (collectively, “Financial Assistance”) to qualified applicants to advance its mission and program objectives. The types of Financial Assistance are:

A. Real Property Tax Abatements

- B. Sales and Use Tax Exemption (as related to the construction of a project)
- C. Mortgage Recording Tax Exemptions
- D. Industrial Revenue Bonds (IRBs)

Section 5. Real Property Tax Exemptions

- a. The BCIDA maintains a policy for the provision of real property tax abatements for qualified projects. A project will be deemed qualified only after the receipt of; (1) a meeting with BCIDA staff to review project size and scope; (2) a completed Application for Benefits; (3) all required supporting financial documentation; and (4) a project review, including Cost-Benefit Analysis. Upon approval of the Board of Directors, qualified projects may enter a payment in lieu of tax (PILOT) agreement, mortgage recording and sales and use tax agreements. The BCIDA will not consider projects located on sites or facilities that are tax-delinquent or from project applicants that are in arrears on taxes on other sites or facilities.
- b. The BCIDA will not consider PILOT schedules developed by an outside entity (i.e., project owner) valid, unless expressly requested by the BCIDA.
- c. The base assessment for valuation purposes for all property for which a PILOT agreement is sought shall be no less than; (1) the assessed value at the time of the application or (2) the purchase price of the site or facility.
- d. For sites or facilities that were previously exempt from real property taxes; the valuation will be what would have been the assessed value at the time of the application or the purchase price of the facility. The base assessment shall be provided to the BCIDA from the lead assessing unit from the municipality in which the project is located.
- e. The BCIDA may, at the expense of the applicant, commission an independent appraisal or market study of the subject property if, for any reason, the proposed project value is in question.
- f. Payment in lieu of tax (PILOT) schedules have been outlined in Appendix A and shall be described in a written PILOT Agreement between the BCIDA and the Project Owner/Sponsor. Project occupants shall pay to the BCIDA or its designee (i.e., affected taxing jurisdictions), the amount calculated pursuant to the applicable PILOT schedule approved by the BCIDA. Payments received under all PILOT agreements shall be proportionally allocated among the affected taxing jurisdiction according to the amount of real property taxes the taxing jurisdiction would otherwise have received but for the BCIDA's involvement.
- g. Variations in the *proportions* shall only be done with the consent of the affected taxing jurisdictions. The approved PILOT Agreement shall take effect during the tax year immediately following the taxable status date of each year and after the BCIDA has acquired an interest in the project.

- h. If the project owner shall fail to make any payment required under the PILOT agreement, its obligation to make the payment so in default shall continue as an obligation of the project owner until such payment in default shall be made in full. The project shall pay the same, together with interest thereon, to the extent permitted by law, the greater of; (1) 18% annually, or (2) the annual rate which would be payable if such amounts were delinquent taxes, until so paid in full.
- i. Notwithstanding, the execution of any PILOT agreement, NO project shall be exempt from special assessments and special ad valorem levies lawfully levied and/or assessed against the subject property.
- j. In any lease transaction (new construction or existing facility), financial benefits received to the project owner shall be passed on to the tenant/occupant. Both the beneficial owner and the tenant/occupant must certify in writing that all tax advantages provided by the BCIDA are accruing to the benefit of the tenant/occupant.

Section 6. Real Property Exemption Deviations

- a. The BCIDA may deviate, on a case-by-case basis from the policies outlined above and any deviation shall require the written notification by the BCIDA to the Chief Executive Officer where the project is located, in advance of the meeting at which the proposed deviation shall be considered. All affected taxing jurisdictions shall receive a copy of the written notice. Per the Authorizing Legislation, the BCIDA does not require consent by municipal resolution to provide a deviation to the real property tax exemption.
- b. Any proposals to deviate from the “proportional” payments to the affected taxing jurisdiction will require consent by resolution of each of the affected taxing jurisdictions.
- c. A deviation shall be considered on a case-by-case basis and shall be considered an “exception” to the standard benefit. The BCIDA recognizes that in some circumstances, such as a project with significant community impact, a deviation to the UTEP may be required. The BCIDA can exercise flexibility in allowing for other incentives in the discounting of property taxes and can go beyond its standard term of years. The BCIDA may consider any or all of the following factors in making such determination and may provide enhanced benefit or diminished benefits from this UTEP, no single one of which is determinative. In doing so, the BCIDA will set forth in writing, the reasons for any deviation and notify the affected taxing jurisdiction.

Deviations for consideration based on the following types of development and conditions:

- a. Nature of Project
 - Expanding Existing Business
 - Relocation of Business to the Area
 - New Development
 - Complementary Development (supports a larger redevelopment plan or project)
 - Regionally Significant Industry (i.e., semiconductor, advanced manufacturing)
 - Expansion of Industry Supply Chain
- b. Type of Development
 - Residential Rental
 - Targeted Geographic Area:
 - iDistrict
 - Opportunity Zone
 - Low to Moderate Income Area
 - Commercial or Industrial Park
 - Rural Community
- c. Large Scale Retail/Mixed Use Redevelopment
- d. Recreational/Tourism/Cultural Destination
- e. Adaptive Re-Use/In-Fill/Revitalization of Underutilized Sites
- f. Affordable and/or Supportive Housing
- g. Transit-Oriented-Development
- h. Positively impacts health and community, the environment, and the economy.
Provides access to transportation for employment and other services.
- i. Green Building and Energy-Related Investments
 - Projects that place less stress on municipal infrastructure
- j. Employment Impact
 - Number of Permanent Jobs
 - Percentage of Low-Moderate hires
 - Retention of Existing Jobs
 - Significant Local Partnerships and/or Matching Funds in the project
- k. Documentation by financing instrument of a specific term of PILOT benefit

**The Agency reserves the right to extend the term of these schedules by five years with similar phase in scheduled for developments for the following reasons:

- located in special designated redevelopment areas, such as Qualified Census Tracts, Opportunity Zones, and Empire Zones
- that provide exceptional job growth
- that are designated as a Brownfield and involve remediation cost that impact financial feasibility
-

Section 7. Sales and Use Tax Exemptions

- a. The BCIDA's policy is to grant exemption of state and local sales and use taxes for all qualified and approved projects to the full extent permitted by New York State. Such exemption would cover the purchase of construction materials and

equipment and of project related equipment and furnishings until the project is completed, i.e., Certificate of Occupancy.

- b. Operating and Maintenance expenses are incurred by an Agent of the BCIDA for a Project of are not exempt from local and New York State sales and use tax.
- c. The BCIDA will file an “Appointment of Project Operator for Sales Tax Purposes,” (Form ST-60), which shall be valid from a period of one-year from the project benefit approval date. Such appointment may be extended or renewed, subject to a showing of good cause and any restrictions and/or requirements imposed by the BCIDA or New York State upon such extension or renewal. Such requests must be provided to the BCIDA in writing and with the approval of the BCIDA.

Section 8: Mortgage Recording Tax Exemptions

The BCIDA’s policy is to grant exemptions from the mortgage recording tax to all qualified and approved projects to the full extent of the law.

Section 9: Industrial Revenue Bonds

The BCIDA, in its effort to stimulate desirable and sound economic development and to create and retain quality employment opportunities, may serve as a vehicle for medium and long-term low interest financial assistance through the issuance of Industrial Revenue Bonds (IRBs) and other incentives. Eligible costs shall include:

- i. Acquisition
- ii. Construction
- iii. Expansion
- iv. Rehabilitation
- v. Purchase of Equipment

Section 10: Transfers to “Qualified Transferee”

With respect to any project, provided the project owner is compliant with BCIDA policies; a transfer of benefit may be considered to a “Qualified Transferee” under the following conditions:

- a. The project owner must notify the BCIDA and its Counsel in writing (the “Transfer Notice and Request”) no later than two (2) months prior to the proposed date of sale, transfer, assignment or conveyance that the company intends to sell, convey, assign or otherwise transfer the Project, or any controlling interest therein, and/or that any person or entity that controls such company, intends to sell, convey, assign or otherwise transfer any of his, her or its interests in and to the company, and in connection with any such sale, transfer or conveyance, request that the PILOT Agreement be transferred or otherwise remain in full force and effect in accordance with its terms.
- b. “Controlling interests” means, with respect to the Project, the sale, conveyance, assignment, or tother transfer of more than 49% of the fee title and/or leasehold interest in and to the Project. “Controls” shall mean the ownership of a majority

of the legal and beneficial interest in the company, together with the ability to direct the management, affairs, and operations thereof.

- c. The Transfer Notice and Request must contain a representation and warranty from; (1) the Purchaser (as hereinafter defined), and (2) the company, to the best of its knowledge based solely upon the information and documentation provided to it by the Purchaser (as herein defined), and the (3) company, to the best of its knowledge based solely upon the information and documentation provided to it by the Purchaser that each proposed purchaser, transferee, or assignee, is a qualified transferee or assignee by such information and documentation as the BCIDA, as acting by and through its warranty.
- d. “Controls” shall mean the ownership of a majority of the legal and beneficial interest in such purchaser, transferee, or assignee, together with the ability to direct the management, affairs, and operations thereof. The Purchaser shall constitute a “qualified transferee” if the BCIDA determines in its reasonable judgement that:
 - i. The Seller has successfully and continuously owned and operated projects of similar size, scope and use to that of the Project over the then proceeding ten (10) years.
 - ii. The Seller is current on the payment of all real estate taxes, levies, charges, fees, and assessments due and owing to the BCIDA.
 - iii. The Seller is current on the payment of all PILOT payments due and owing to the BCIDA.
 - iv. The Purchaser has demonstrated that it has a net worth sufficient to fund the successful ongoing operation and maintenance of the Project.
 - v. The Purchaser has not outstanding cases or proceedings, without a judicially mandated settlement agreement.
 - vi. The Purchaser is current on the payment of all federal, state and County taxes and has made all filings of all required returns; and
 - vii. The Purchaser has furnished to the BCIDA at least two (2) banking reference.

Section 11: General Financial Information Necessary to Apply

- a. A completed, signed, and notarized Application for Benefits
- b. A consultation with BCIDA staff, Chief Executive Officer for the affected taxing jurisdiction
- c. Composition of the applicant’ current real estate portfolio at the time of application including type of project and number of square feet or units owned/d and or managed.
- d. Applicants’ recent history if obtaining financing commitments for real estate development projects, detailing type of project, financing source and amounts committed.
- e. Bank references for the applicant and financial equity partner (if applicable).
- f. For applicant and its development team, a statement regarding any debarments, suspensions, bankruptcy, or loan defaults on real estate development projects and/or government contract

- g. A statement describing the expected equity requirements and sources, the anticipated sources of working capital, and the anticipated sources for the financing of the project, including its construction.
- h. Bank commitment letters and real estate appraisals upon request of the BCIDA

Section 12: Cost Benefit Analysis

In the event of a deviation to the terms of the PILOT agreement, the BCIDA will conduct, at the applicant's expense, an independent, third-party cost-benefit analysis to determine the need for any such deviation and total PILOT value, which shall include:

- a. A comparison of the standard v. the proposed abatement.
- b. An explanation of the financial assumptions used in the analysis.
- c. Operational budget v capital cost budget
- d. Additional documentation relating to the "but for" such assistance, the Project could not move forward; and
- e. Public infrastructure costs and impacts

The value of the incentive offered must exceed the break-even point between the costs and benefits during the duration of a specific term of years unless the BCIDA makes an express determination that the proposed Project is of material significance and requires an even greater or lesser amount of Financial Assistance in the form of greater deviations from the Standard PILOT policy.

Section 13: Recapture of Benefits

It is the policy of the BCIDA to annually review project performance and reserves the right to recapture the value of PILOT Payments, State and County Sales and Use Tax, and mortgage Recording Tax exemptions in accordance with the provisions set forth in the following schedule:

<u>Period</u>	<u>Recapture Amount</u>
Within 3 years	100%
Within 5 years	85%
Within 10 years	75%
Within 15 years	50%
Within 20 years	25%

Section 14: Recapture Trigger Events

- b. Sale (except as expressly permitted pursuant to this UTEP), or closure of a facility within the time the Project receives BCIDA benefits.
- c. Departure of the project from the municipality in which the benefits were originally approved.

- d. Material employment reductions or material failure to meet stated employment creation or retention goals in any tax year to the extent, if any, that such goals are set forth in the PILOT Agreement or any other BCIDA transaction documents.
- e. Significant change in the use of a facility or in business activates by Project applicant or operator.
- f. Ceasing to be an eligible “project” under and as identified in the IDA Act
- g. Material non-compliance with or breach of terms and conditions of BCIDA transaction documents or breach of any zoning, land use or federal, state, or local environmental laws or regulations, material obligations by the project occupant to the United States, State of New York, or any of its political subdivisions, the affected taxing jurisdictions in which obligations were imposed in connection with the Project.
- h. Decrease in projected revenues and/or projected economic benefits from the Project in any given year to the extent, if any, then any such projected revenues and/or economic benefits are set forth in the PILOT Agreement and other BCIDA transaction documents; or
- i. Failure to comply with annual reporting documents or provide the BCIDA with requested information

Section 15: Application Process

- a. Environmental Compliance – Applicant must comply with New York State Environmental Quality Review Act (SEQRA) before applying for benefits.
- b. Preliminary Meeting – Project owner must meet with BCIDA to discuss project.
- c. Application Submittal –
 - i. Project owner submits completed application to the BCIDA (see “General Information Required to Apply”
 - ii. BCIDA Staff Review and PILOT development
 - iii. Independent, third-party cost-benefit (if required)
 - iv. Presentation to BCIDA Governances Committee
- e. BCIDA Inducement Resolution – Project is induced by initial resolution allowing IDA Executive Director to discussions and/or negotiations on any proposed financial assistance
- f. Public Hearing Notification – Public hearing notice summarizing the details of the project and the financial assistance is published in the official newspaper with ten (10) days’ notice prior to hearing date
- g. Public Hearing – Applicant should be present at the Public Hearing scheduled in connection to the Project
- h. BCIDA Final Authorizing Resolution – BCIDA will consider final authorizing resolution for consideration by the Board of Directors
- i. Labor Policy Compliance – Applicant must notice all required entities as outlined in Application for Benefits
- j. Sales Tax Agreement – BCIDA will issue Sales Tax Agreement to Project owner within in thirty (30) days of Project approval
 - i. Forms of Security – Project owner will provide necessary form of security as outlined in the Application for Benefits

- j. Closing – Contracts and other documents necessary to consummate transaction with are executed by the Company, BCIDA, and any other interest, including payment of any required BCIDA fee.

Section 16: Amendment or Modification

The BCIDA, by resolution and upon notice to taxing jurisdictions, may amend or modify the foregoing policy, as it may, from time to time determine, and in accordance with the Laws of the State of New York.

Updated March 15, 2022 (January 10, 2022)

APPENDIX A

**Broome County Industrial Development Agency
Schedule of Uniform Real Property Tax Exemption Policy**

		COMMERCIAL PROJECTS		INDUSTRIAL PROJECTS		HOUSING	
PILOT Year	Operating Year	<u>New Construction</u>	<u>Improvement on Exisitng</u>	<u>New</u>	<u>Improved Existing</u>	<u>NEW AND REHABILITATION</u>	<u>LESS THAN 25 UNITS</u> <u>REHABILITATION</u>
1	Construction	Construction		Construction		Construction	Construction
2	Construction	Construction		Construction		Construction	Construction
3	1	75%	75%	75%	100%	90%	90%
4	2	75%	75%	75%	75%	70%	80%
5	3	75%	50%	75%	75%	50%	70%
6	4	50%	50%	75%	75%	50%	60%
7	5	50%	50%	75%	75%	50%	50%
8	6	50%	50%	50%	50%	50%	40%
9	7	50%	25%	50%	45%	50%	30%
10	8	25%	25%	50%	40%	50%	20%
11	9	25%	25%	50%	35%	50%	15%
12	10	25%	25%	50%	30%	50%	10%
13	11	0%	0%	25%	25%	50%	5%
14	12	0%	0%	25%	20%	45%	0%
15	13	0%	0%	25%	15%	40%	0%
16	14	0%	0%	25%	10%	35%	0%
17	15	0%	0%	25%	5%	30%	0%
18	16	0%	0%	0%	0%	25%	0%
19	17	0%	0%	0%	0%	20%	0%
20	18	0%	0%	0%	0%	15%	0%
21	19	0%	0%	0%	0%	10%	0%
22	20	0%	0%	0%	0%	5%	0%

* Each Schedule Assumes a 2% escalator annually

Recapture Schedule

Period	Recapture Amount
Within 3 years	100%
Within 5 years	85%
Withing 10 years	75%
Within 15 years	50%
Within 20 years	25%

APPENDIX B

AFFORDABLE HOUSING PILOT DETERMINATION PILOT AT 10% SHELTER RENT

Residential Units		
Average Rent/Unit Monthly		Based on 60% AMI
Utilities Per Unit Annually		
Gross Revenue (at COO)	\$ -	Monthly Rent x Units x 12 = Gross Revenue
Utilities	\$ -	Utilities Per Unit Annually x Units = Utilities
Shelter Rent	\$ -	Gross Revenue - Utilities = Shelter Rent
	10%	
10% Shelter Rent	\$ -	Starting PILOT Amount (first 2 years frozen at existing tax amount)
Units	0	
Annual PILOT Per Unit		

*1% escalator will be added per year