

**City of Utica  
Industrial Development Agency  
Application**

The information required by this form is necessary to determine the eligibility of your project for IDA benefits. Please answer all questions; insert "NONE", or "NOT APPLICABLE", where necessary. If an estimate is given, put "EST." after the figure. Attach additional sheets if more space is needed for a response than is provided. Return three copies of this application to the City of Utica Industrial Development Agency.

All information contained in this form will be treated confidentially, to the extent permitted by law.

A project financed through this Agency involves the preparation and execution of significant legal documents. Please consult with an attorney before signing any documents in connection with the proposed project.

PART I

Applicant

Applicant's legal Name: Carbone Commercial Property, LLC

Principal Address: 587 Main St.  
New York Mills, NY

Project Address: Oriskany Blvd.  
Utica, NY 13501

Telephone Number(s): (315) 768-1155

Federal Identification Number: \_\_\_\_\_

Company IRS Filing Office Location: \_\_\_\_\_

Company Officer completing this application:

Name: Alexander E. Carbone

Title: Member/Manager

Phone: (315) ~~966-0000~~ cell (315) 725-5948 office

Email: acarbone0427@gmail.com

1. A. **Is the applicant a:**

( ) Corporation: If YES, Public ( ) Private ( )  
If a PUBLIC Corporation, on which exchange is it listed?

- \_\_\_\_\_  
 Sole Proprietorship  
 Partnership  
 Subchapter S  
 DISC  
 Other (specify) \_\_\_\_\_

B. State of incorporation, if applicable: LLC - NY

2. **Stockholders, Directors, Officers, Partners or Members**

A. Provide the following information in regard to principal stockholders or parties:

<u>Name</u>	<u>Home Address</u>	<u>Percentage of Ownership</u>
Alexander E. Carbone	<del>XXXXXXXXXXXX</del> <del>XXXXXXXXXXXX</del>	100%
	New Hartford, NY 13413	
_____	_____	_____
_____	_____	_____
_____	_____	_____

B. Provide the following information in regard to officers and directors:

<u>Company Officer</u>	<u>Name and Home Address</u>	<u>Other Principal Business Affiliation</u>
Same		
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

- C. Is the applicant or any of the persons listed in 2(A) above related, directly or indirectly, to any other entity by more than 50% common ownership? If also, indicate name of such entity and the relationship.

Carbone Athletics, LLC d/b/a Fitness Mill

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- D. Is the applicant affiliated with any other entity, directly or indirectly, other than as indicated in response to paragraph C above? If YES, please indicate name and relationship of such other entity and the address thereof:

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3. **Applicant's accountant**

Name and Title: Joseph Finkst, CPA

Name of Firm: Fitzgerald, DePietro & Wojnas, CPAs, P.C.

Address: 291 Genesee St.

Utica, NY 13501

Telephone Number: (315) 724-2145 Email: jfinkst@fdwcpa.net

4. **Applicant's attorney**

Name and Title: James Betro, Esq.

Name of Firm: Vindigni, Betro & walton

Address: 146 Madison st.

Oneida, NY 13421

Telephone: (315) 363-3602 Email: \_\_\_\_\_

5. **References** (Individuals and institutions in this section may be contacted)

A. Banking/Financial Institution:

<u>Name of Institution</u>	<u>Address and Phone Number</u>	<u>Account Officer/ Contact Person</u>
<del>XXXXXXXXXX</del>	<del>XXXXXXXXXX</del>	<del>XXXXXXXXXX</del>
	Utica, NY 13501	

B. Business suppliers (list three largest accounts)

<u>Name of Supplier</u>	<u>Address and Phone Number</u>	<u>Account Officer/ Contact Person</u>
N/A		

C. Major customers (list three largest)

<u>Name of Customer</u>	<u>Address and Phone Number</u>	<u>Account Officer/ Contact Person</u>
N/A		

6. **Business Description**

A. Describe nature of business and principal products and/or services:

Personal training, cardiovascular training, weight training,  
 nutrition counseling and education, stress workshops, related child  
 care, exercise facilities, specialized athletic training.

B. Describe the geographical market(s) served:

Utica and surrounding suburbs

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7. **Present location(s) of business operations**

A. List present location(s):

1. 587 Main St., New York Mills, NY

2.

3.

B. For what purpose is each of these used?

1. Same

2.

3.

C. For each of your present locations which are RENTED, provide the following information:

<u>Name of Landlord</u>	<u>Landlord's Address</u>	<u>Landlord's Telephone Number</u>
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1. Michael Cancilla 587 Main St. (315) 527-8312

New York Mills, NY

2.

3.

Amount of Space

Annual Rental

Lease Termination Date

1. 28,000 sq ft \$156,000 March 2020

(plus 1 year extension)

2.

3.

D. For each of your present locations which you OWN, provide the following information:

	<u>Location</u>	<u>Annual Mortgage Payment</u>	<u>Termination Date</u>
1.	N/A		
2.			
3.			

E. List which of your present locations, if any, will be vacated if IDA approval for your project is given:

New York Mills facility

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If any of these locations will be sublet or sold, provide information concerning your ability to do so:

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PART II

Reasons for Project

Please explain in detail why you want to undertake this project and define scope of project:

Current facility not handicap accessible. Current facility older structure not able  
to retrofit for type of facility customers desire.

Lack of Long-Term Lease in current facility.

Parking is on shared basis and a problem.  
Other tenants regularly complain about noise from athletic facility.

Desire to create premier facility in keeping with downtown revitalization.

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Why are you requesting the involvement of the IDA in your project?

Project needs assistance to go forward. Financially unable to support itself without  
assistance. Will be a great asset to nearby regional Hospital, downtown apartment  
dwellers, downtown employers, and downtown employees.

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How will the applicant's plans be affected if IDA approval is not granted?

Likely project will not move forward without IDA support.

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Please confirm by checking the box, below, if there is likelihood that the Project would not be undertaken but for the Financial Assistance provided by the Agency?

Yes or  No

If the Project could be undertaken without Financial Assistance provided by the Agency, then provide a statement in the space provided below indicating why the Project should be undertaken by the Agency:

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Identify the assistance being requested of the Agency (select all that apply):

- 1. Exemption from Sales Tax                      X   Yes or      No
- 2. Exemption from Mortgage Tax              X   Yes or      No
- 3. Exemption from Real Property Tax         X   Yes or      No
- 4. Tax Exempt Financing \*                        Yes or   X   No

\* (typically for not-for-profits & small qualified manufacturers)



A. Type of Project

Check category or categories best describing your project (O - Owner) and all end-users (T - Tenant(s)) and the square footage of each:

	Manufacturing		sf
	Industrial (Assembly or Service)		sf
	Research and Development		sf
	Warehousing		sf
	Commercial		sf
	Pollution Control		sf
	Housing		sf
	Back Office		sf
	Facility for Aging		sf
	Multi-Tenant		sf
T	Retail	15,000	sf
O	Recreational	30,000	sf
	Other (specify)		sf
		Total	45,000 + sf

B. Description of Proposed Project

Check all appropriate categories which apply to the proposed project:

- |  |         |       |
|--|---------|-------|
| 1. Acquisition of land                           | YES( x) | NO( ) |
| 2. Acquisition of existing building              | YES( )  | NO(x) |
| 3. Renovations to existing building              | YES( )  | NO(x) |
| 4. Construction of addition to existing building | YES( )  | NO(x) |
| 5. Demolition                                    | YES( )  | NO(x) |
| 6. Construction of a new building                | YES( x) | NO( ) |
| 7. Acquisition of machinery and/or equipment     | YES( x) | NO( ) |
| 8. Installation of machinery and/or equipment    | YES( x) | NO( ) |
| 9. Other (specify) <u>Landscaping, Parking</u>   | YES( x) | NO( ) |

C. What is the zoning classification of the proposed site?

Light Industrial (L1)

D. For what purpose was the site most recently used (e.g. light manufacturing, heavy manufacturing, assembly, etc.)?

Vacant - eye sore

E. Location(s) Street Address Number of Floors/ SF/floor

F. Is the site in an Empire Zone? (  ) Yes (  ) No

Is the business Empire Zone certified at this location: (  ) Yes (  ) No

Attach a copy of the last Business Annual Report filed.

Is the proposed project located within the boundary of a Central New York Regional Transportation (Centro) District? (  ) Yes (  ) No

G. 1. Please describe in detail the facility to be acquired, constructed or renovated (including number of buildings and other existing structures or facilities) and attach plot plans, photos or renderings, if available.

Rendering attached

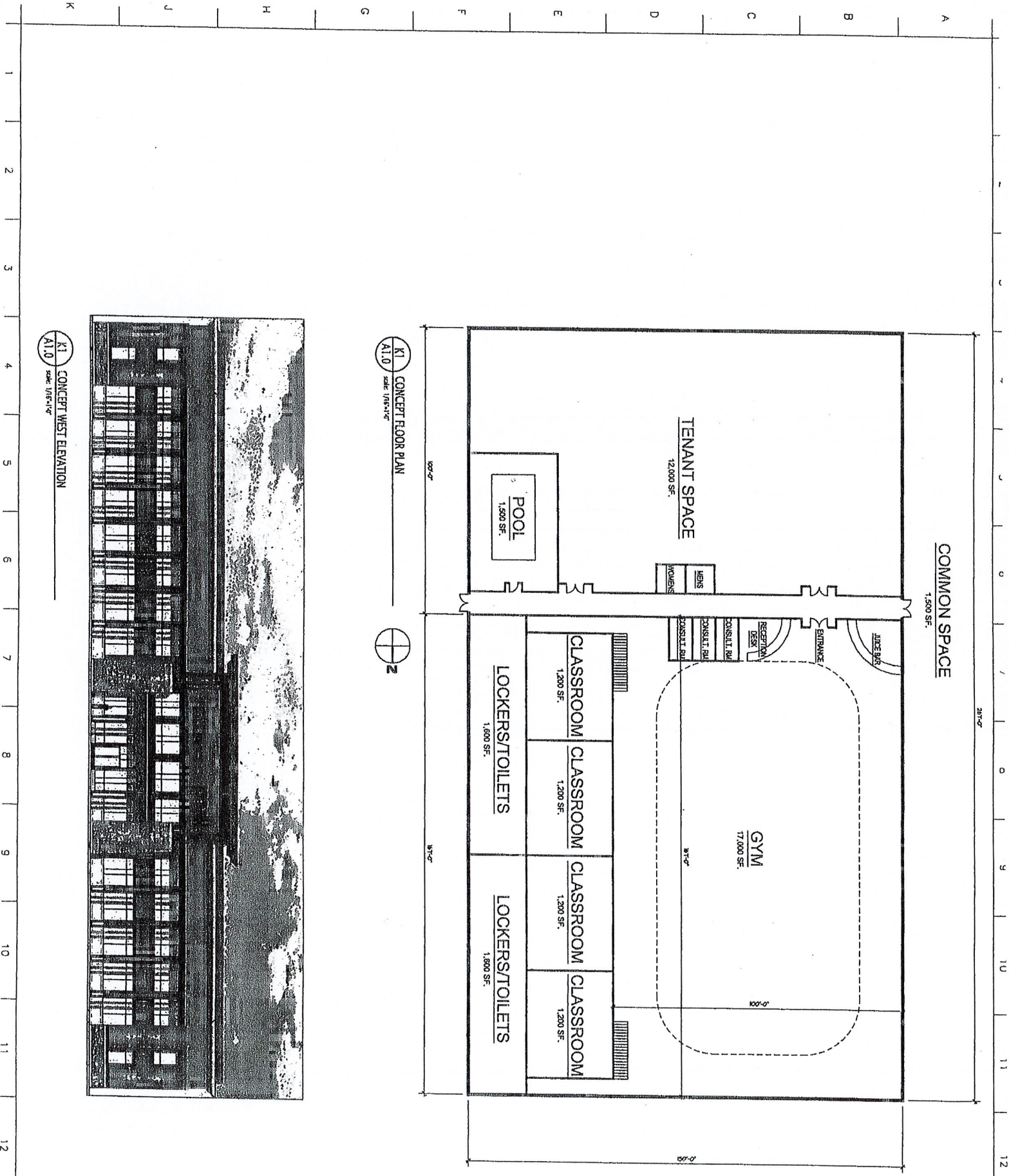
2. If construction or renovation work on this project has already begun, please describe the work in detail.

N/A

3. What is the estimated useful life of the:

a. Facility: 40 years

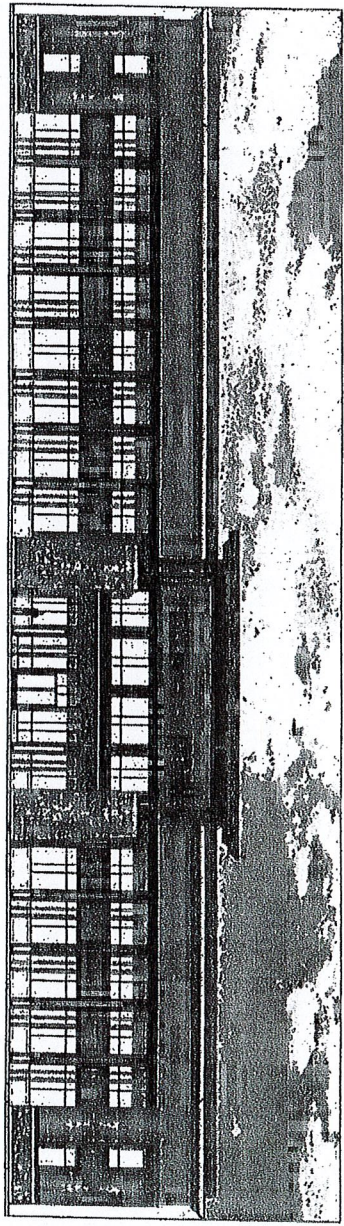
b. Equipment: 15 years

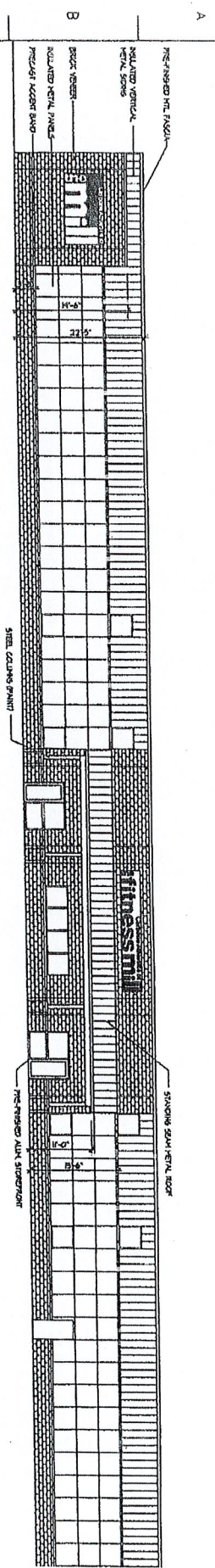


K1 CONCEPT FLOOR PLAN  
A1.0 SCALE: 1/8"=1'-0"

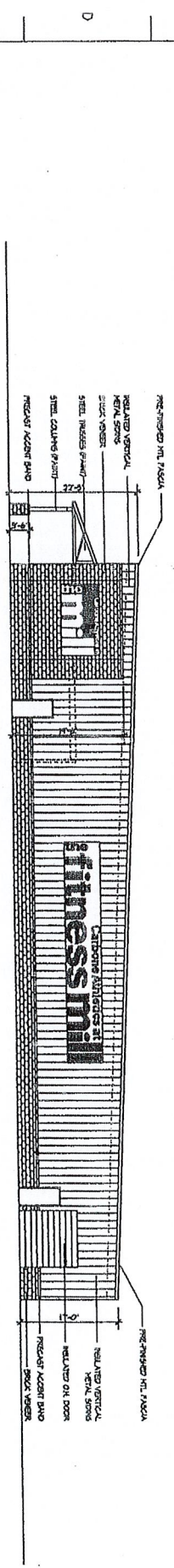


K1 CONCEPT WEST ELEVATION  
A1.0 SCALE: 1/8"=1'-0"

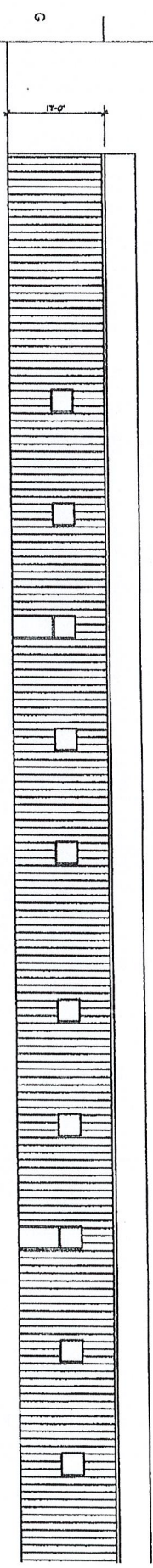




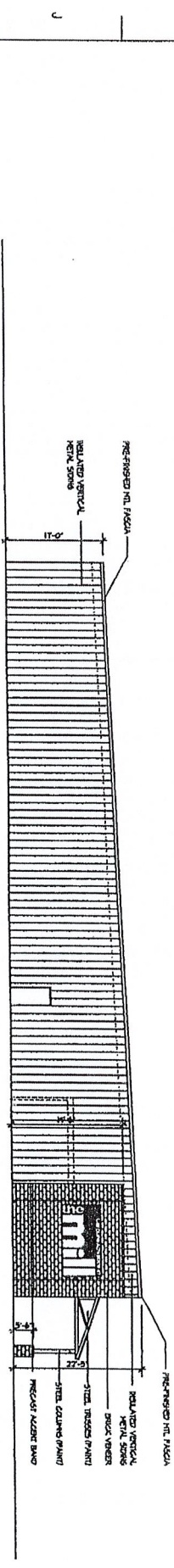
**C1 NORTH ELEVATION - ORISKANY BLVD.**  
 A20 Scale: 3/8"=1'-0"



**E4 WEST ELEVATION**  
 A20 Scale: 3/8"=1'-0"



**G1 SOUTH ELEVATION - ERIE STREET**  
 A20 Scale: 3/8"=1'-0"



**K4 EAST ELEVATION**  
 A20 Scale: 3/8"=1'-0"

1 2 3 4 5 6 7 8 9 10 11 12

H. List the principal items or categories of equipment to be acquired as part of the project.

Training, exercise equipment

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I. If any of this equipment has already been purchased or ordered, please attach all invoices and purchase orders and list amounts paid and dates of expected delivery as well as a brief description:

J. N/A

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K. If the construction or operation of the proposed project will require any local ordinance or variance to be obtained or requires a permit or prior approval of any state or federal agency or body (other than normal occupancy/construction permits), please specify:

N/A

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L. Will the project have a significant effect on the environment, YES ( ) NO ( x). If YES, please describe the effect. **Important: please attach Environmental Assessment Form to this Application**

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M. Will a related real estate holding company, partnership or other entity be involved in the ownership structure of the Transaction? YES( x) NO( ). If YES, please explain:

Carbone Commercial Property, LLC - Real Estate Owner

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Carbone Athletics, LLC - Tenant

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M. 1. With regard to the present owner of the project site, please give:

Name: City of Utica

Address: City Hall, Utica, NY

Telephone Number: \_\_\_\_\_

2. If the applicant already owns the project site, indicate:

a. date of purchase: \_\_\_\_\_

b. purchase price: \_\_\_\_\_

3. If the project site is mortgaged, please indicate:

a. balance of mortgage: \_\_\_\_\_

b. holder of mortgage: \_\_\_\_\_

N. Is there a relationship, legally, by virtue of common control, or through related persons, directly or indirectly, between the applicant and the present owner of the project site?  
YES ( ) NO ( x ) If YES, please explain:

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

O. Is the company currently a tenant in the building to be occupied?

YES ( ) NO ( x )

P. Are you planning to use/develop the entire proposed facility?

YES ( x ) NO ( )

If NO, give the following information with respect to present tenants:

1. Present Tenant Information

a.	<u>Name of Business</u>	<u>Floors Occupied</u>	<u>Square Feet Occupied</u>	<u>Nature of Tenant's Business</u>
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N/A

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b. Which of the above tenants will be vacating upon your initial use of the facility? How many jobs will be affected?

<u>Name of Firm</u>	<u>Jobs</u>	<u>Square Footage Now Occupied</u>
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N/A

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c. For those tenants who will remain after your initial occupancy of the site, provide the following transaction:

<u>Name of Tenant</u>	<u>Term of Lease</u>	<u>Renewal Options</u>	<u>Square Footage Now Occupied</u>
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N/A

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Are any of the above tenants related to the owner of the facility? YES ( ) NO (x)

d. If the applicant will be occupying the premises of any of the tenants listed in (c) when their lease expires, please list.

N/A

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e. Please provide copies of all present lease(s) at the proposed project site.





[ILB]

### Section 13. Objections to Title, Failure of Seller or Purchaser to Perform and Vendee's Lien

§ 13.01. Purchaser shall promptly order an examination of title and shall cause a copy of the title report to be forwarded to Seller's attorney upon receipt.

§ 13.02. If Seller shall be unable to convey title to the Premises at the Closing in accordance with the provisions of this contract or if Purchaser shall have any other grounds under this contract for refusing to consummate the purchase provided for herein, then Purchaser may terminate this contract, and the sole liability of Seller shall be to refund the Developer Fee. Upon such refund and, this contract shall be null and void, and the parties hereto shall be relieved of all further obligations and liability.

§ 13.03. Any unpaid taxes, assessments, water charges, and sewer rents, together with the interest and penalties thereon to a date not less than two days following the Closing Date, and any other liens and encumbrances which Seller is obligated to pay and discharge or which are against corporations, estates, or other persons in the chain of title, together with the cost of recording or filing any instruments necessary to discharge such liens and encumbrances of record, may be paid out of the proceeds of the monies payable at the Closing if Seller delivers to Purchaser on the Closing Date official bills for such taxes, assessments, water charges, sewer rents, interest and penalties, and instruments in recordable form sufficient to discharge any other liens and encumbrances of record. Upon request made a reasonable time before the Closing, Purchaser shall provide at the Closing separate checks for the foregoing payable to the order of the holder of any such lien, charge, or encumbrance and otherwise complying with § 2.02.

§ 13.04. If Purchaser shall default in the performance of its obligation under this contract to purchase the Premises, the sole remedy of Seller shall be to retain the Developer Fee as liquidated damages for all loss, damage, and expense suffered by Seller including, without limitation, the loss of its bargain.

§ 13.05. Purchaser shall have a vendee's lien against the Premises for the amount of the Developer Fee, but such lien shall not continue after default by Purchaser under this contract.

### Section 14. Broker

§ 14.01. The parties acknowledge that this contract was brought about by direct negotiation between Seller and Purchaser and that neither Seller nor Purchaser knows of any broker entitled to a commission in connection with this transaction.

### Section 15. Notices

§ 15.01. All notices under this contract shall be in writing and shall be delivered personally or shall be sent by prepaid registered or certified mail, addressed to:

Purchaser:

Carbone Commercial Property, LLC  
Alexander E. Carbone  
42 Hoffman Road  
New Hartford, NY 13413  
[acarbone0427@gmail.com](mailto:acarbone0427@gmail.com)

Purchaser's Attorney:

James W. Betro, Esq.  
Vindigni, Betro & Walton, PLLC  
146 Madison Street  
Oneida, NY 13421  
[jim@vbwlaw.com](mailto:jim@vbwlaw.com)

At the Closing, Seller shall deliver the following to Purchaser:

§ 10.01. A Quitclaim Deed with Reverter, containing the covenant required by N.Y. Lien Law § 13 and properly executed in proper form for recording so as to convey the title required by this contract.

§ 10.02. A Land Disposition Agreement memorializing Purchaser's redevelopment plans for the Premises.

§ 10.03. Termination of Reverter. The parties hereby agree that upon the Purchaser's investment of at least ONE MILLION DOLLARS (\$1,000,000) into the project by virtue of the \$400,000 purchase money plus \$600,000 of site work, improvements, etc., the Seller shall thereupon cancel and terminate the Right of Reverter Restriction.

§ 10.04. – 10.9 [ILB]

§ 10.10. To the extent they are then in Seller's possession and not posted at the Premises, certificates, licenses, permits, authorizations, and approvals issued for or with respect to the Premises by governmental and quasi-governmental authorities having jurisdiction.

§ 10.11. Such affidavits as Purchaser's title company shall reasonably require in order to omit from its title insurance company all exceptions for judgments, bankruptcies, or other returns against persons or entities whose names are the same as or similar to prior owners in the chain of title.

§ 10.12. – 10.15 [ILB]

§ 10.16. A resolution of Seller's board of directors authorizing the sale and delivery of the deed and a certificate executed by the secretary or assistant secretary of Seller certifying as to the adoption of such resolution and setting forth facts showing that the transfer complies with the requirements of such law. The deed referred to in § 10.01 shall also contain a recital sufficient to establish compliance with such law.

§ 10.17. [ILB]

§ 10.18. Any other documents required by this contract to be delivered by Seller.

#### **Section 11. Purchaser's Closing Obligations**

At the Closing, Purchaser shall:

§ 11.01. Deliver to Seller checks in payment of the portion of the Purchase Price payable at the Closing, as adjusted for apportionments under Section 12.

§ 11.02. Pay all Transfer Taxes.

§ 11.03. [ILB]

§ 11.04. Cause the deed to be recorded, duly complete all required real property transfer tax returns, and cause all such returns and checks in payment of such taxes to be delivered to the appropriate officers promptly after the Closing.

§ 11.05. Deliver any other documents required by this contract to be delivered by Purchaser.

#### **Section 12. Apportionments**

Seller's Attorney:

*KATHRYN*  
Catherine Hartnett, Esq.  
Utica City Hall  
1 Kennedy Plaza  
Utica, New York 13502  
[khartnett@cityofutica.com](mailto:khartnett@cityofutica.com)

or as Seller or Purchaser shall otherwise have given notice as herein provided.

**Section 16. Limitations on Survival of Representations, Warranties, Covenants, and other Obligations**

§ 16.01. Except as otherwise provided in this contract, no representations, warranties, covenants, or other obligations of Seller set forth in this contract shall survive the Closing, and no action based thereon shall be commenced after the Closing. The representations, warranties, covenants, and other obligations of Seller set forth in § 4.03, § 6.01, and § 6.02 shall survive six months after the Closing Date.

§ 16.02. The delivery of the deed by Seller and the acceptance thereof by Purchaser shall be deemed the full performance and discharge of every obligation on the part of Seller to be performed hereunder, except those obligations of Seller which are expressly stated in this contract to survive the Closing.

**Section 17. Gains Tax and Miscellaneous Provisions**

§ 17.01. [ILB]

§17.02. This contract embodies and constitutes the entire understanding between the parties with respect to the transaction contemplated herein and all prior agreements, understandings, representations, and statements, oral or written, are merged into this contract. Neither this contract nor any provision hereof may be waived, modified, amended, discharged, or terminated except by an instrument signed by the party against whom the enforcement of such waiver, modification, amendment, discharge, or termination is sought and then only to the extent set forth in such instrument.

§ 17.03. This contract shall be governed by and construed in accordance with the law of the State of New York.

§ 17.04. The captions in this contract are inserted for convenience of reference only and in no way define, describe, or limit the scope or intent of this contract or any of the provisions hereof.

§ 17.05. This contract shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs or successors and permitted assigns.

§ 17.06. This contract shall not be binding or effective until properly executed and delivered by Seller and Purchaser.

§ 17.07. As used in this contract, the masculine shall include the feminine and neuter, the singular shall include the plural and the plural shall include the singular, as the context may require.

IN WITNESS WHEREOF, the parties hereto have executed this contract as of the date first above written.

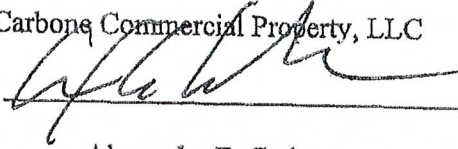
City of Utica Urban Renewal Agency

By: 

\_\_\_\_\_  
Seller

\_\_\_\_\_  
member, Purchaser

Carbone Commercial Property, LLC



By: Alexander E. Carbone, sole

2. Employment \*

- a. List your present employment in the City of Utica, if any, and an estimate of the employment at the proposed facility at the end of two years. NOTE: New York State considers Full Time employment as 35 hours or more. Full-time jobs, plus the combination of two or more part-time jobs that, when combined together, constitute the equivalent hours of a full-time position (35 or more hours).

Employment	Current # of applicant's jobs at/or to be located at proposed project location	Number of FTE jobs to be RETAINED	Number of FTE jobs to be CREATED two years after project completion	Estimate number of residents in Labor Market Area that will fill projected jobs two years after project completion
Full-Time (FTE) - Utica	0	0	8	3
- County	5	5	3	3

The Labor Market Area consists of the following counties: Oneida, Lewis, Herkimer, Otsego, Madison and Oswego

- b. Characterize the labor force to be associated with this project location according to the following categories:

Category	Current/ Anticipated	Avg Salary or Salary Range	Avg Fringe Benefits or Range
Officers	1/1		
Sales/Supervisory	1/1	\$42,000	
Clerical			
Plant/Production			
Other (specify)	4/7	\$12/hr.	

Notes:

- c. Estimate the Annual Payroll for the employees associated with the project location.

Currently	End of Year One	End of Year Two
\$ 0	\$ 150,000	\$ 175,000

\* Company/Applicant will be required to submit Annual Project Monitoring Reports (attached) along with a copy of the NYS 45 (four quarters) for a minimum of five (5) years for any commercial project and ten (10) years for any industrial/manufacturing project, or for the length of UIDA involvement in the project. Annual Project Monitoring Reports will be compared to employment counts as stated above and companies whose reported counts fall below those levels above will be subject to the Agency's Recapture Provisions Policy.

**Sources of Funds for Project Costs:**

**% of Total project costs**

Bank Financing:	<u>3,000,000</u> <del>\$2,000,000</del>	<u>50 60</u>
Equity (excluding equity attributed to grants/tax credits)	\$ <u>2,000,000</u>	<u>50 40</u>
Tax Exempt Bond Issuance (if applicable)	\$ _____	_____
Taxable Bond Issuance (if applicable)	\$ _____	_____
Public Sources (Include sum total of all state and federal grants and tax credits)	\$ _____	_____

Identify each state and federal grant/credit:

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

Total Sources of Funds for Project Costs: \$ 5,000,000  
~~4,000,000~~ 100%

Have any of the above costs been paid or incurred as of the date of this Application?

Yes  No. If Yes, describe particulars: \_\_\_\_\_

**Mortgage Recording Tax Exemption Benefit:** Amount of mortgage that would be subject to mortgage recording tax:

Mortgage Amount (include sum total of construction/permanent/bridge financing): \$ ~~4,000,000~~ <sup>3</sup> \_\_\_\_\_

Estimated Mortgage Recording Tax Exemption Benefit (product of mortgage Amount as indicated above multiplied by 0.75%): \$ ~~15,000~~ <sup>22,500</sup> \_\_\_\_\_

Please Note: The New York State General Municipal Law was recently amended to reflect that industrial development agencies are not exempt from the additional mortgage recording tax of .25% that is assessed to properties that are located within a regional transportation district. Oneida County is located within the Central New York Regional Transportation District; as such, all UIDA projects will be exempt from .75% of mortgage recording tax, but must pay .25% of mortgage recording tax, which will be directed to the Transportation District.



**4. Real Estate Taxes**

List separately the proposed project's Real Estate Taxes and/or Assessed Value as it applies to land and building: Currently Zero Taxes - Owned by City of Utica

Requested

Project's	Real Estate Taxes	Assessed Value
Land(s)	\$	\$
Building(s)	\$	\$
Total	\$	\$ 400,000

Calculate the value of the PILOT exemption anticipated for the project described:

\$ 195,332

**5. Project Schedule**

Indicate the estimated dates for the following:

- a. Construction commencement: 3/1/20
- b. Construction completion: 2/1/21
- c. Project financing: List the dates and in what amounts the estimated funds will be required:

~~6666000000~~ Owner Equity - 3/1/20

~~2,000,000~~ Mortgage - As needed

3,000,000

- d. Indicate the name of the incorporated municipality in which the facility will be located and the applicant's (or any related entity's) estimated capital expenditures in such municipality during the past three years:

Utica - None

- e. What do you expect the applicant's (or any related entities) capital expenditures to be in the above municipality during the next three years (including this project):

\$4,150,000



- f. If the applicant or any related entity has previously secured the benefit of tax exempt financing in the City of Utica, whether through IDA, the New York Job Development Authority or any other entity, please explain (indicate date, location of financed facility, and outstanding balance):

N/A

- g. Has the applicant or any related entity received the benefit of tax exempt financing anywhere within the United States within the past 90 days or is the applicant or any related entity contemplating the receipt of such financing assistance within the next 90 days? YES ( ) NO (  ) if YES, please explain.

6. Project Financing Efforts

IT IS THE APPLICANT'S RESPONSIBILITY TO SECURE A PURCHASER FOR IDA BONDS ISSUED IN CONJUNCTION WITH THIS PROJECT. Below are a series of questions relating to your efforts to secure financing for your project if IDA approval is granted.

- A. Has the applicant contacted any bank, financial/lending institution or private investor in regard to the financing for this project? YES (  ) NO ( ) If YES, please give details:

~~XXXXXXXXXXXX~~

B. Have you obtained a financial commitment for this project? YES (x ) NO ( )

1. If YES, please briefly describe this commitment and attach related correspondence:

Mortgage up to \$3,000,000

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2. If NO, please explain how you will be able to finance this project:

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C. Are there any other governmental agencies that you have contacted concerning financial assistance in regard to your proposed project? YES ( ) NO (x ) If YES, please explain:

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D. 1. Will the applicant's obligations be guaranteed, and if so, by whom?

Alexander E. Carbone

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2. Is the guarantor related to or affiliated with the applicant?

Yes

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E. Financial Information (Attach the Following).

1. Financial Statements for the last three fiscal years.
2. Pro forma Balance Sheet as at start of operations at project site.
3. Projected Profit and Loss Statements for first two years of operation at project site.
4. Projected "Cash Flow" Statement, by quarters, for first year of operation at project site.

**REPRESENTATIONS AND CERTIFICATION BY APPLICANT**

The undersigned requests that this Application be submitted for review to the City of Utica Industrial Development Agency (the "Agency") and its Board of Directors.

Approval of the Application can be granted solely by this Agency's Board of Directors. The undersigned acknowledges that Applicant shall be responsible for all costs incurred by the Agency and its counsel in connection with the attendant negotiations whether or not the transaction is carried to a successful conclusion.

The Applicant further understands and agrees with the Agency as follows:

1. **Annual Sales Tax Filings.** In accordance with Section 858-b(2) 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, 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.
2. **Annual Employment Reports.** The Applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, the Applicant agrees to file, or cause to be filed, with the Agency, on an annual basis, reports regarding the number of people employed at the project site as well as tax benefits received with the action of the Agency. Failure to provide such reports as provided in the transaction documents will be an Event of Default under the Lease (or Leaseback) Agreement between the Agency and Applicant. In addition, a Notice of Failure to provide the Agency with an Employment Report may be reported to Agency board members, said report being an agenda item subject to the Open Meetings Law.
3. **Absence of Conflict of Interest.** The Applicant has consulted the Agency website of the list of the Agency members, officers and employees of the Agency. No member, officer, or employee of the Agency has an interest, whether direct or indirect, in any transaction contemplated by this Application, except as herein after described (if none, state "none"):
4. **Hold Harmless.** Applicant hereby releases the Agency and its members, officers, servants, agents and employees from, agrees that the Agency shall not be liable for and agrees to indemnify, defend and hold the Agency harmless from and against any and all liability arising from or expense incurred by (A) the Agency'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 tax

exemptions and other assistance requested therein are favorably acted upon by the Agency, (B) the Agency's acquisition, construction and/or installation of the Project described therein and (C) any further action taken by the Agency with respect to the Project; 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 or the Applicant are unable to reach final agreement with respect to the Project, then, and in the event, upon presentation of an invoice itemizing the same, the Applicant shall pay to the Agency, its agents or assigns, all costs incurred by the Agency in the processing of the Application, including attorneys' fees, if any.

5. The Applicant acknowledges that the Agency has disclosed that the actions and activities of the Agency are subject to the Public Authorities Accountability Act signed into law January 13, 2006 as Chapter 766 of the 2005 Laws of the State of New York.
6. The Applicant acknowledges that the Agency is subject to New York State's Freedom of Information Law (FOIL). **Applicant understands that all Project information and records related to this application are potentially subject to disclosure under FOIL subject to limited statutory exclusions.**
7. The Applicant acknowledges that it has been provided with a copy of the Agency's recapture policy (the "Recapture Policy"). The Applicant covenants and agrees that it fully understands that the Recapture Policy is applicable to the Project that is the subject of this Application, and that the Agency will implement the Recapture Policy if and when it is so required to do so. The Applicant further covenants and agrees that its Project is potentially subject to termination of Agency financial assistance and/or recapture of Agency financial assistance so provided and/or previously granted.
8. The Applicant understands and agrees that the provisions of Section 862(1) of the New York General Municipal Law, as provided below, will not be violated if Financial Assistance is provided for the proposed Project:

§ 862. Restrictions on funds of the agency. (1) No funds of the agency shall be used in respect of any project if the completion thereof would result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state, provided, however, that neither restriction shall apply if the agency shall determine on the basis of the application before it that the project is reasonably necessary to discourage the project occupant from removing such other plant or facility to a location outside the state or is reasonably necessary to preserve the competitive position of the project occupant in its respective industry.

9. The Applicant confirms and acknowledges that the owner, occupant, or operator receiving Financial Assistance for the proposed Project is in substantial compliance with applicable local, state and federal tax, worker protection and environmental laws, rules and regulations.
10. The Applicant confirms and acknowledges that the submission of any knowingly false or knowingly misleading information may lead to the immediate termination of any Financial Assistance and the reimbursement of an amount equal to all or part of any tax exemption claimed by reason of the Agency's involvement the Project.

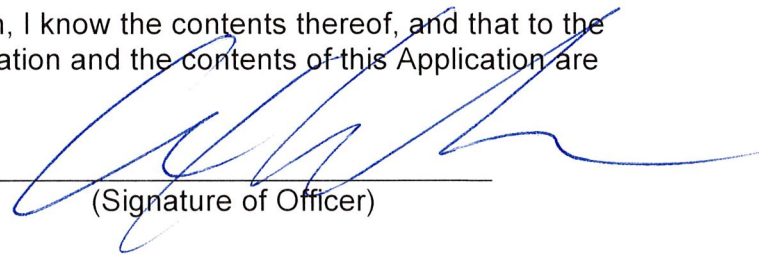
11. The Applicant confirms and hereby acknowledges that as of the date of this Application, the Applicant is in substantial compliance with all provisions of Article 18-A of the New York General Municipal Law, including, but not limited to, the provision of Section 859-a and Section 862(1) of the New York General Municipal Law.

12. The Applicant and the individual executing this Application on behalf of the Applicant acknowledge that the Agency will rely on the representations made herein when acting on this Application and hereby represent that the statements made herein do not contain any untrue statement of a material fact and do not omit to state a material fact necessary to make the statements contained herein not misleading.

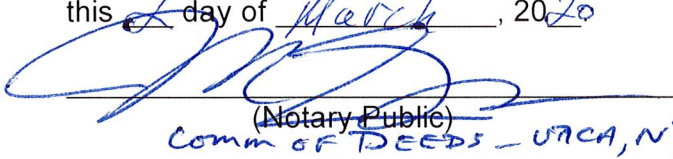
STATE OF NEW YORK )  
COUNTY OF ONEIDA ) ss.:

Alexander E. Carboni, being first duly sworn, deposes and says:

1. That I am the LLC Manager (Corporate Office) of Carboni Commercial Property LLC (Applicant) and that I am duly authorized on behalf of the Applicant to bind the Applicant.
2. That I have read the attached Application, I know the contents thereof, and that to the best of my knowledge and belief, this Application and the contents of this Application are true, accurate and complete.

  
(Signature of Officer)

Subscribed and affirmed to me under penalties of perjury  
this 7 day of March, 2020

  
(Notary Public)

Comm of Deeds - UACA, NY Comm Exp: 12/31/2020

If the application has been completed by or in part by other than the person signing this application for the applicant please indicate who and in what capacity:

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Return the original application and six copies with a check in the amount of \$250.00 made payable to: Utica Industrial Development Agency, 1 Kennedy Plaza, Utica, New York, Attn.: Jack N. Spaeth, Executive Director.**

UTICA INDUSTRIAL DEVELOPMENT AGENCY  
COST/BENEFIT ANALYSIS  
Required by §859-a(3) of the  
New York General Municipal Law

TO BE ATTACHED TO AND MADE PART OF APPLICATION TO THE AGENCY

Name of Applicant: Carbone Commercial Property, LLC

Address of Project: 1532 Oriskany Blvd.  
Utica, NY 13502

Description of Project:

Construct a new building on land to be acquired from the City of Utica in  
shovel ready condition.

Name of all Sublessees or Other Occupants of Facility:

Carbone Athletics, LLC d/b/a The Fitness Mill, Kingwater Chiropractic, Bouton  
Physical Therapy, Blend Healthfood Cafe.

Principals or Parent Company of Applicant:

Single Member LLC - owned 100% of Alexander E. Carbone

Principals of any Sublessee or Occupant:

Alexander Carbone, David Kingwater, Jessie Bouton, Kayla Sylvester

Product/Services of Applicant:

Interactive fitness and athletic training, exercise classes, related child care,  
nutrition counselling, wellness destination, health food cafe.

Estimated Completion Date of Project: 2/1/21

Type of Financing/Structure:

- Tax-Exempt Financing  
 Taxable Financing  
 Lease/Leaseback, Sale/Leaseback  
 Other

Explain: Adirondack Bank mortgage & owner equity

**Types of Benefits**

- Tax-Exempt Bonds
- Sales Tax Until Completion Date
- Mortgage Tax Abatement
- Real Property Tax Abatement

**Expected to Receive:**

**Project Costs - Capital Investment**

Land	\$ 400,000	Cost per Acre \$ _____
Existing Building	\$ _____	
Rehab of Existing Building	\$ _____	
Construction of New Building	\$ 5,000,000	Cost per Sq Ft \$ 85
Addition or Expansion	\$ _____	Cost per Sq Ft \$ _____
Engineering and Architectural Fees	\$ 100,000	
Equipment (detail below)	\$ 500,000	
Legal Fees		
Bank, Bond, Transaction, Company, Credit Provider, Trustee	\$ 10,000	
Finance Charges		
Title Insurance, Environmental Review, Bank Commitment Fee, Appraisals, etc.	\$ 10,000	
<b>TOTAL COST OF PROJECT</b>	<b>\$ 6,020,000</b>	

Type of Equipment to be Purchased Fitness & office equipment, lockers,  
fixtures

Grants or Loans expected to be received (by who and amount)

No Grants \$ \_\_\_\_\_

\_\_\_\_\_ \$ \_\_\_\_\_

\_\_\_\_\_ \$ \_\_\_\_\_

**Company Information**

Existing Jobs Owner + 5 F.T.E.

Created Jobs (by year 3) 3 F.T.E.

Retained Jobs 5 F.T.E.

**BENEFITS**

**Taxable Goods and Services**

		Spending Rate	Wages	Expenditures	Sales Tax Rate	State/ Local Sales Tax Revenues
Direct Jobs						
<u>3</u>	Created	36.0%	<u>25,000</u>	<u>27,000</u>	x 8.75%	<u>2,363</u>
<u>5</u>	Existing	36.0%	<u>27,000</u>	<u>48,600</u>	x 8.75%	<u>4,253</u>
			<u>135,000</u>	<u>48,600</u>		<u>4,253</u>
Indirect Jobs						
_____	Created	36.0%	_____	_____	x 8.75%	_____
_____	Existing	36.0%	_____	_____	x 8.75%	_____
<u>10</u>	Construction	36.0%	<u>40,000</u>	<u>144,000</u>	x 8.75%	<u>12,600</u>
	Totals		_____	_____		_____
					x 3 years =	<u>57,648</u>

**Real Property Taxes**

Local (3 year) real property tax benefit (assuming 50 % of jobs existing and created own a residence with an average assessment of \$ 60,000 and the remainder of jobs existing and created pay real property taxes through rent based on an average assessment per apartment of \$ 13,000  
 Current tax rate: 66.78/\$1000 of AV

Real Property Taxes Paid \$ 58,500  
3 Yr Comparative Benefits \$ 116,148

**COSTS**

Real Property Taxes Abated on Improvements only (3-year period) \$ 120,000 ~~20,000~~ 22,500  
 Mortgage Tax Abated \$ 15,000 ~~20,000~~  
 Estimated Sales Tax Abated During Construction Period \$ 200,000  
3 Yr Comparative Costs \$ 342,500

(If there is tax-exempt financing of all or a portion of the project cost, there is a neutral cost/benefit because of lower interest rates by reason of exclusion of interest from gross income of bondholders for purposes of Federal and State income taxes. Taxable financing carries the same cost/benefit for State Income Tax purposes. Such cost/benefits cannot be qualified.)



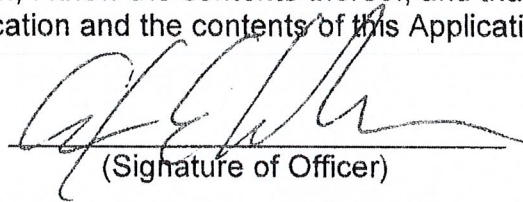
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COUNTY OF ONEIDA ) ss.:

Alexander E. Carbona being first duly sworn, deposes and says:

1. That I am the LLC Manager (Corporate Office) of Carbone Commercial Property, LLC (Applicant) and that I am duly authorized on behalf of the Applicant to bind the Applicant.
2. That I have read the attached Application, I know the contents thereof, and that to the best of my knowledge and belief, this Application and the contents of this Application are true, accurate and complete.

  
(Signature of Officer)

Subscribed and affirmed to me under penalties of perjury this 30<sup>th</sup> day of December, 2018.

Joshua D. Haar  
(Notary Public)

Joshua D. Haar  
Notary Public, State of New York  
Reg. No. 02HA6380879  
Qualified in Madison County  
My Commission Expires 09/17/2022

If the application has been completed by or in part by other than the person signing this application for the applicant please indicate who and in what capacity:

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Return the original application and six copies with a check in the amount of \$250.00 made payable to: Utica Industrial Development Agency, 1 Kennedy Plaza, Utica, New York, Attn.: Jack N. Spaeth, Executive Director.**