

**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: Macartovin Apartments LLC

Principal Address: 400 East Avenue, Rochester, NY 14607

Project Address: 7 Devereux Street, Utica, NY 143501

Telephone Number(s): [REDACTED]

Federal Identification Number: [REDACTED]

Company IRS Filing Office Location: 255 East Avenue, Rochester, NY 14601

Company Officer completing this application:

Name: [REDACTED]

Title: Manager of Macartovin Apartments MM LLC, as Managing Member for applicant

Phone: [REDACTED] [Office] /// [REDACTED] [Cell]

Email: acasciani@pathstone.org

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
- (x) Other (specify): Limited Liability Company

B. State of incorporation, if applicable: New York State (NYS)

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>
Macartovin Apartments MM LLC	400 East Avenue Rochester, NY 14607	100%

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>
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

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.

N/A

- 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:

The applicant and its managing member are affiliates of PathStone Housing Action Corporation, PathStone Development Corporation and PathStone Corporation, all of whom have an address of 400 East Avenue, Rochester, New York 14607

3. **Applicant's accountant**

Name of Contact: [REDACTED]

Name of Firm: [REDACTED]

Address: [REDACTED]

Telephone Number: [REDACTED]

Email: [REDACTED]

4. **Applicant's attorney**

Name and Title: [REDACTED]

Name of Firm: [REDACTED]

Address: [REDACTED]

Telephone: [REDACTED]

Email: [REDACTED]

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>
Enterprise Community Loan Fund, Inc.	New York City 1 Whitehall Street 11th Floor New York, NY 10004 212.284.7812	Thomas Eastman
National Equity Fund, Inc.	501 Seventh Avenue New York, NY 110018 212.455.9323	Tony Lyons

Key Bank	777 Canal Blvd Suite 100 Rochester, NY 14623	John Berry
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B. Business suppliers (list three largest accounts)

<u>Name of Supplier</u>	<u>Address and Phone Number</u>	<u>Account Officer/ Contact Person</u>	<u>Terms of Sale</u>
Sustainable Comfort	(413) 262-7390	James Moriarty	Environmental Analysis
SWBR	(585) 232.8300	Joe Gibbons	Architect / Engineer
Spoleta Construction	(585) 750-5274	Jeff Nanna	General Contractor

C. Major customers (list three largest and show percentage of gross business obtained from each):

<u>Name of Customer</u>	<u>Address and Phone Number</u>	<u>Account Officer/ Contact Person</u>	<u>Terms of Sale</u>	<u>Annual Dollar % Volume</u>
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N/A

6. **Business Description**

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

PathStone is a non-profit housing development, property management, homeownership services, weatherization, Section 8 administration, Small business lending and service agency that works to build family and individual self-sufficiency by strengthening farmworker, rural, and urban communities. PathStone promotes social justice through its programs and consistent advocacy on behalf of the community.

PathStone will work to upgrade the Macartovin Apartments and preserve the existing affordable housing currently present. PathStone believes that the improvements will extend the useful life of the building while enhancing the quality of life for the residents. It is also PathStone's goal to renovate the first-floor commercial space so that local businesses can move in, providing diverse and useful services to the local community all while fitting into Utica City's economic growth and development plans.

B. Describe the geographical market(s) served:

PathStone Corporation is proud to have a diverse Board of Directors with members from New York, Indiana, Pennsylvania, Indiana, Vermont, Ohio and Puerto Rico, including strong representation by participants in PathStone programs. PathStone's staff is also reflective of the diversity of the geography and populations we serve. PathStone has a strong central operations component based in Rochester, NY, with field offices located throughout our footprint. Many of the staff members are bilingual in order to meet the needs of the population served. PathStone has many senior staff that has long tenures with the organization, and is continually attracting new staff that brings fresh ideas and perspectives to the organization.

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

A. List present location(s):

1. PathStone Corporation, 400 East Avenue, Rochester, NY 14607
2. PathStone Development Corporation, 7 Prince Street, Rochester, NY 14607
3. PathStone Management Corporation, 6 Prince Street, Rochester, NY 14607
4. PathStone Corporation, 15 Prince Street, Rochester, NY 14607

B. For what purpose is each of these used?

1. Headquarters of Organization
2. Real Estate Development Offices
3. Property Management and Tenant Services Offices
4. Weatherization and Homeownership Services

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. PathStone Management Corporation
6 Prince Street
Rochester, NY 14607
(585) 546-6340

<u>Amount of Space</u>	<u>Annual Rental</u>	<u>Lease Termination Date</u>
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1. See the attached lease agreements

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>
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1. See the attached lease agreements

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

N/A

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

N/A

PART II

Reasons for Project

Please explain in detail why you want to undertake this project:

Residential Use - Floors 2-4

PathStone is looking to acquire and preserve the Macartovin Apartments in order to protect and maintain affordable housing in the City of Utica. The acquisition will include a mortgage assumption, 20-year extension of the Section 8 HUD contract.

The benefits of the acquisition / preservation are:

- Extend the useful life of the property by installing necessary upgrades
- Extend the rental subsidy contract to continue affordability to the most vulnerable Utica citizens.
- Improve the quality of life for the residents that presently live in Macartovin Apartments.

Some of the upgrades include new roof; new appliances where needed (approximately 50%); the addition of central air for the benefit of the residents and updating identified ADA units to comply with present requirements. The applicant will be renovating the existing elevator system. This means that all of the residents will need to be temporarily relocated from the Macartovin Apartments building. Applicant has hired a relocation specialist and coordinator to assist in the gathering of information and to help prepare the residents for their temporary move once construction commences. Applicant will be covering all costs of movement, relocation costs, storing belongings of the residents, as well as per diem or stipends for the residents as well. Further, the entire building has materials that have been identified as asbestos containing. The applicant and the contractor have completed extensive site analysis and environmental review to ensure that we properly prepare a plan for the scope of work that will eliminate any risk of exposure to the residents. We will seek to remediate and/or encapsulate all hazardous materials during the construction period before residents are moved back to their respective floors.

Commercial Use – First Floor

Downtown Utica is going through a renaissance. Most of the surrounding commercial properties have been updated and leased to tenants that will bring new life and vibrancy to the area. The latest building looking to complete its own rebirth is Macartovin, which is an extremely visible property, located directly on Genesee Street. The first floor of Macartovin includes 16,000 sq. ft. of open commercial space. Presently the first floor is less than desirable for use and is rented free of charge to a food pantry for Veterans. PathStone intends to renovate the first floor entrance to become more welcoming and update the interior to attract tenancies that will continue the excitement and vibrancy of the area. PathStone is being directed to retain a majority of the historic, plaster ceiling that is currently in existence within the space. As such, this requirement, as designated from SHPO, means that the space will be a little less

than flexible, given that PathStone cannot remove or cover up the artistic ceiling. It is the applicant's hope that the food pantry will return to the renovated space, but will be moved to the rear of the building with a smaller granted amount of square footage allotted to their activities.

Building Exterior

The historic exterior façade will be repaired in a manner to fit with the new look of the City and maintain the history of the building that is a part of the tapestry of Utica's culture. The applicant intends to do a complete tear down and recladding of the historic exterior. We will also be installing historically accurate replacement windows on the exterior walls.

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

- The IDA Infrastructure funding will allow PathStone to make the necessary repairs to the exterior façade and first floor commercial entrance that will attract a store front tenant to continue the momentum that has begun in downtown Utica.
- The mortgage and sales tax abatement reduces the development costs. By reducing development costs the project requires less permanent conventional funding , therefore allowing More work to be included in the renovation and more flexible terms to the first floor commercial tenant.
- Real Property tax abatement – reduces the operating expenses to offset the rental income received from very low income seniors and disabled. The real estate tax abatement allows the development sufficient income to continue the services needed by the residents.

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

- As funding is limited for commercial / nonresidential space, the improvements to the commercial entrance and façade would be significantly scaled back therefore it would be assumed that the first floor commercial space would not attract a tenant that would complement the other new businesses in the area.
- Without the mortgage and sales tax abatement the total cost of the development may not be feasible
- Without the Real Estate abatement the property will not sustain and the development will be infeasible.

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:

Funding for the project sponsor without assistance will be limited; therefore, the scope of work for the renovation will also be limited and will have to include upgrades, repairs, and improvements that are only deemed structurally essential.

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 * X Yes or _____ 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
O	Commercial	16,000 sf
	Pollution Control	sf
O	Housing	98,000 sf
	Back Office	sf
	Facility for Aging	sf
	Multi-Tenant	sf
	Retail	sf
	Recreational	sf
	Other (specify)	sf
	Total	114,000 sf

B. **Description of Proposed Project**

Check all appropriate categories which apply to the proposed project:

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

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

Central Business District

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

Rental Property for seniors and the disabled

E. Location(s) Street Address Number of Floors Sq. Ft. / Floor

Macartovin Apartments, 7 Devereux Street, Utica, NY 13501 – 5 Floors

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

Is the business Empire Zone certified at this location: () Yes (x) 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? (x) 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.

The building being acquired is The Macartovin Apartments building on 7 Devereux Street. The building is a 5-story rental building which provides 66 units of affordable housing with a Section 8 contract. The building also contains approximately 16,000 sq. feet in potential commercial rental space along Genesee Street in Utica, NY. This retail space is fitted with a trio of iconic glass store-front windows. The project goal is to upgrade the commercial space for new tenant occupancy, improve the residential space within the building and to restore the building's historic exterior façade, including installation of new, historically accurate windows. Applicant must also completely encapsulate and/or remediate existing asbestos-containing materials on site.

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: 30 years (after renovations)

b. Equipment: 15 years (after renovations)

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

N/A

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:

N/A

- J. 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:

The renovation project will require the approval from the State Historical Preservation Organization (SHPO). The city district in which The Macartovin is located has recently been added to the New York State Registry as a place of historical significance. Importantly, the Macartovin Apartment building has been noted as a key contributing resource to this classification. As such, any improvement or renovation plans will need to be submitted to, reviewed, and approved by SHPO.

- K. 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**

-
- L. 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:

Please see the provided Organizational Chart

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

Name: Macartovin Associates c/o The Silver Street Group

Address: 33 Silver Street, Suite 200, Portland, ME 04101

If the applicant already owns the project site, indicate:

a. date of purchase: N/A

b. purchase price: N/A

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

a. balance of mortgages:

1. \$ 72,405.00 (first mortgage)

2. \$ 2,475,957.00 (HUD debt)

b. holder of mortgage:

1. Berkadia Commercial Mortgage LLC

2. HUD

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>
1)	Feed Our Vets	1	12,000 (EST.)	Non-Profit Food Cupboard
2)	Private Artist's Studio	1	4,000 (EST.)	Private Artist Working Space

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>
1)	Private Art Studio	N/A	4,000 (EST.)

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>
1)	Feed our Vets	N/A	Prepare a new Lease Agreement and Relocation	6,000 (EST.)

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

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

There are no written leases currently in place.

- f. Do you propose to lease part of the project facility to firms not presently tenants?
YES (X) NO ()

If YES, provide details of your proposals:

Currently, the first floor commercial space is in disrepair. The space will be completely updated, including encapsulation of existing hazardous materials, full clean-up of the space, installation of mechanicals, (electric, heating, air conditioning) and plumbing (as needed). The space will then be outfitted with finishes (carpet/vinyl plank), outlets, etc. and rebuilt in such a way that the space can be a flexible rental area that can be finished to meet the needs of the prospective tenant that may desire to lease that space. The applicant is working with a commercial realtor (Pavia Real Estate) to find potential tenants for the renovated space.

- g. Will financing by the Agency for the Project result in the removal or abandonment of a plant or other facility of the applicant or any related entity presently located in another area in the State of New York? YES () NO (x)

If the answer is YES, please explain briefly the reasons for the move.

N/A

Is the proposed project reasonably necessary to discourage the project occupant from removing such other plant or facility to a location outside the State of New York?
YES () NO (x)

Is the proposed project reasonably necessary to preserve the competitive position of the project occupant in its respective industry? YES () NO (x)

- h. If any of the parties who will be tenants in this project are related to or affiliated with the applicant, please identify them:

N/A

1. Please attach any written agreements (e.g., options, purchase contracts, invoices, etc.) concerning the acquisition of the real property or equipment for this proposed facility.

- Please see the provided PSA and 1st Amendment and Assignment & 2nd Amendment to same

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)	0	3 (EST.)	15 (EST.)	15 (EST.)

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	Avg Salary or Salary Range	Avg Fringe Benefits or Range
Officers			
Sales/Supervisory			
Clerical	1	\$34,731.00	Included in Salary Est.
Plant/Production			
Other (specify)	1 (Custodial)	\$45,225.00	Included in Salary Est.

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

Currently	End of Year One	End of Year Two
\$79,956.00	\$81,312.00	\$82,680.00

*** Company/Applicant will be required to submit Annual Project Monitoring Reports (attached) along with a copy of the NYS 45ATT (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**

City of Utica HOME & Façade Funds:	\$	147,500.00	1%
NYSHFA CIF:	\$	2,000,000.00	9%
HFA Soft Funds:	\$	5,364,000.00	25%
NYSHFA First Mortgage:	\$	1,150,000.00	5%
Assumption of HUD Mortgages	\$	2,413,102.00	11%
Deferred Developer's Fees:	\$	212,736.00	1%
Assumption of Replacement Reserves	\$	329,088.00	2%
Historic Credits (Federal):	\$	1,379,551.00	11%
Historic Credits (NYS):	\$	2,015,619.00	9%
Federal LIHTC Equity	\$	4,713,046	22%
GP/SLP Contribution:	\$	594,326.00	3%

Total Sources of Funds: \$ **21,319,336.00**

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

Yes or 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):

\$ 1,200,00.00 (First Mortgage – NYSHFA First Mortgage Loan)

\$ 700,000.00 (CIF)

\$ 2,413,102.00 ((MRN/CRN) Assumption of HUD Mortgage(s))

\$ 4,300,000.00 (MPP)

\$ 3,000,000.00 (HWF)

\$ 11,613,102.00 total

Estimated Mortgage Recording Tax Exemption Benefit

(Product of mortgage Amount as indicated above multiplied by 0.75%): \$ 87,098.27

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.

3. Estimated Project Cost

Listed the costs necessary for the construction, acquisition or renovation of the project (this should NOT include working capital needs, moving expenses, work in progress, stock in trade, applicant's debt repayment, real estate broker fees or your legal fees):

Land	\$ 185,000.00
Existing Building	\$ 2,964,649.00
Rehab of Existing Building	\$ 10,229,121.00
Construction of New Building	\$ 0.00
Addition or Expansion	\$ 0.00
Engineering and Architectural Fees	\$ 602,410.00
- Includes Energy Consultant Fees & PNA	
Equipment (detail below – included in Construction costs)	\$ 0.00
Legal Fees	
Bank, Bond, Transaction, Company, Credit Provider, Trustee	\$ 374,000.00
Finance Charges	
Title Insurance, Environmental Review, Bank Commitment Fee, Appraisals, Contingency, Permits, Interest, Marketing, Relocation Costs, Market Study, Cost Cert and Accounting, Insurance	\$ 3,129,948.00
Tax Credit & Syndication Costs	\$ 109,559.00
Reserves	\$ 510,473.00
Developer's Fees	\$ 2,363,735.00
TOTAL COST OF PROJECT	\$ 21,319,336.00

Sales and Use Tax: Gross amount of costs for goods and services that are subject to State and local Sales and Use tax - said amount to benefit from the Agency's Sales and Use Tax exemption benefit: **\$ 3,912,447. (Estimated as 30% of overall cost)**

Estimated State and local Sales and Use Tax Benefit (product of 8.75% multiplied by the figure, above): **\$ 342,339**

4. Real Estate Taxes

List separately the proposed project's Real Estate Taxes and/or Assessed Value as it applies to land and building:

Project's	Real Estate Taxes	Assessed Value
Land(s)	\$	\$
Building(s)	\$	\$
Total	\$ 35,440.00	\$

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

PILOT Request of \$35,000.00 is submitted, to be negotiated.

5. Project Schedule

Indicate the estimated dates for the following:

- a. Construction commencement: First Quarter 2020
- b. Construction completion: Second Quarter 2020 (First Floor Construction) & December 2020 (overall construction)
- c. Project financing: List the dates and in what amounts the estimated funds will be required:

Bond Closing: December 2019
Construction Loan: December 2019
IDA Funds

- 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:

City of Utica – \$0.00

- 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):
 - Building Permit(s); \$10.2 million in estimated Construction Costs
 - \$3.1 million in building acquisition costs
 - Furnishings, Kitchen Appliances (Refrigerator, Stove, Microwave), Thermostat, HVAC upgrades

- 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 (x) 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 (x) If YES, please give details:

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

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

N/A

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

Applicant will work to obtain LITHC 4% credits, historic credits, and NYS Soft Debt financing. Additionally, the applicant is working with a development consultant. Pre development costs will be split with Chesapeake Community Advisors. Chesapeake Community Advisors, as consultant will be responsible for the following development activities: bond financing: 4% Low Income and historic Tax Credit Application, HUD mortgage assumption and subsidy contract extension. Finally, PathStone Development Corporation, as applicant, will obtain the financial commitments on the project, and provide necessary operating guarantees as required. This project remains in the early stages of development, so detailed discussions and negotiations with potential lenders have not yet been initiated.

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

New York State Housing Finance Agency has been contacted with respect to requesting bond financing for the project. Further, we have been in contact with a representative from NYSERDA with respect to requesting further assistance from the organization. The Applicant has begun very preliminary conversations with lenders and equity providers.

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

PathStone Development Corporation

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

Guarantor is Developer.

E. Financial Information (Attach the Following).

1. Financial Statements for the last three fiscal years.

a. See Provided Financial Audits

2. Pro forma Balance Sheet as at start of operations at project site.

- a. See provided development budget
3. Projected Profit and Loss Statements for first two years of operation at project site.
 - a. See provided development budget
4. Projected "Cash Flow" Statement, by quarters, for first year of operation at project site.
 - a. See provided development budget

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 MONROE) ss.:

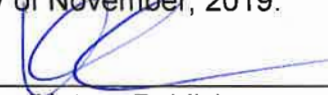
Amelia Casciani, being first duly sworn, deposes and says:

1. That I am the Vice President of Real Estate Development for PathStone Development Corporation 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 ___ day of November, 2019.



(Notary Public)


KAREN STAERTOW
Notary Public, State of New York
No. 01ST4991304
Qualified in Monroe County
Commission Expires January 27, 20__ 

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: Amelia Casciani

Title: Vice President of Real Estate Development

Date: November _____, 2019

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.