



Empowering Businesses. Inspiring Growth.

Mike Torelli, Chairman • **Vincent Odock**, Assistant Secretary

Paul Ruskiewicz, Board Member • **Dean Tamburri**, Board Member

Bill Fioravanti, Chief Executive Officer • **Susan R. Katzoff**, General Counsel • **Russell E. Gaenzle**, Bond Counsel

Agenda

PLEASE TAKE NOTICE, The Orange County Industrial Development Agency will hold a regularly scheduled meeting on January 19, 2021, at 5:30 p.m. at the Orange County Government Center, 255 Main St., Goshen NY in the First Floor Community Room to consider and/or act upon the following:

Order of Business

- **Pledge of Allegiance**
- **Roll Call**
- **Approval of Minutes for December 15, 2021 Board meeting**
- **Finance**
 - December 2021 Financial Reports
 - December/January payables
 - CFO Transition Update
- **Chairman's Report**
- **CEO Report**
- **New Business**
 - Board Officers & Committees
 - New Accelerator Subtenants Leases
 - Resolution
 - CITIVA Application
 - Project Nucleus Application
- **Unfinished Business**
 - 360 Middletown Holdings LLC. / 13th Avenue Fish Market (January 2022)
 - STE Extension Retroactive 12/31/21 – 12/31/22
- **Executive Session**
- **Adjournment**

To watch the livestream, please visit our website: www.ocnyida.com

Dated: January 12, 2022

By: Bill Fioravanti – Chief Executive Officer

ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

MINUTES: DECEMBER 15, 2021, BOARD OF DIRECTORS
MEETING

A virtual meeting (via Zoom) of the Orange County Industrial Development Agency was convened Wednesday, December 15, 2021, at 5:37 p.m.

The meeting was called to order by Chairman Torelli, immediately followed by the Pledge of Allegiance.

A roll call of the Board members showed four present. There is a quorum. The following are all who were in attendance:

PRESENT: Michael Torelli, John Douthit, Paul Ruskiewicz, Vincent Odock

ABSENT: Dean Tamburri

ALSO PRESENT: Bill Fioravanti – Chief Executive Officer
Sue Katzoff – General Counsel
Langdon Chapman – OC Attorney
Russell Gaenzle – Bond Counsel
Dean Brady – Technical Support

A motion by Chairman Torelli to accept the minutes of the November 17, 2021 IDA Board meeting and the minutes of the December 1, 2021 Committee meeting was accepted and opened for questions or comments.

Hearing no objections to the minutes, a motion was made by Chairman Torelli, seconded by Mr. Douthit, and passed by a unanimous roll call.

Finance Report

Mr. Fioravanti reviewed the November financials including interest earnings for the CD investments, and the typical monthly bills. WEDC payment is booked and accounted for but not approved yet. Expenses totaling \$35,000 and we are \$34,000 under budget for the year. OCIDA Accelerator Income, includes rent we receive from the Broadway Accelerator tenants which we are remitting back to B4 Holdings. Mr. Fioravanti detailed

other items including the Danza Lessee annual cost for rent and other expense items. He also met with Focus Media to discuss the end of their contract so that we may reprocore. Mr. Fioravanti noted Focus's interest in bidding at the re-procurement and have offered to provide a number of hours of additional work, at no added expense, so that the IDA receives the value of what we've been paying for monthly. The investment CDs are still in process as we don't have the required amount of signatures.

Chairman Torelli moved to approve the financials subject to further discussion of the annual Middletown rent and the agency contribution cost for WEDC during payables portion of the agenda.

With no objections, questions or concerns, a motion was made by Mr. Ruszkiewicz, seconded by Mr. Douthit, and passed by a unanimous roll call.

Payables

Mr. Fioravanti discussed the recurring bills and noted that the gas and electric bill and the Verizon FIOS bill for the 603 and 605 buildings would be transferred over to B4 holdings which resulted in those line items being deducted from the payables report. As previously mentioned, the Focus Media retainer will be deducted in future reports as their contract is set to expire, and this will be the IDA's last month with Frontier for the Middletown building. Mr. Fioravanti discussed credit card payments and noted that the IDA would be moving away from the G-Suite platform and moving to Microsoft Office. The New Windsor rent payments for which the leases will expire at the end of this year, were also removed as well as the utilities and FIOS for the Broadway locations bringing the total payable amount to \$107,018.85. Chairman Torelli addressed the Danza group's annual rent request and asked Counsel to comment on how we handle rent payments for the different locations. Mr. Langdon suggested an attorney/client session before the Danza payment is submitted. The Chairman asked Mr. Fioravanti to deduct the Danza Lesser payment and put \$81,648 on hold which decreased the new payables figure to \$25,166.80.

With no objections, questions or concerns regarding the new total, a motion was made by Mr. Douthit, seconded by Chairman Torelli, and passed by a unanimous roll call.

Mr. Fioravanti reviewed and confirmed the Loewke Brill “Monthly” payables.

With no objections, questions or concerns, a motion was made by Mr. Ruskiewicz, seconded by Mr. Odock, and passed by a unanimous roll call.

Mr. Fioravanti reviewed the “All Other” payables report and noted the \$500,000 is for the second set of CD investments previously approved; \$250,000 at Empire State Bank for 18 months at .4% and \$250,000 at Connect One for 12 months at .25%.

With no objections, questions or concerns, a motion to approve was made by Mr. Odock, seconded by Mr. Douthit, and passed by a unanimous roll call.

Signatories: Mr. Fioravanti noted that a second signatory is needed and possibly a third as an additional option and asked Counsel for input. Ms. Kaztoff recommended more than one signatory and possibly a third so that we are not without a signer. As discussed at the last meeting, she suggested that safeguards be put in place for checks, dollar amounts, and accounts that will require two signers. Mr. Fioravanti confirmed that currently we need two signers and Chairman Torelli asked Mr. Ruskiewicz to step in in the interim. Mr. Fioravanti suggested a Board member who was local in the interest of availability.

With no objections, questions or concerns, a motion to approve Mr. Ruskiewicz as a secondary signer was made by Chairman Torelli, seconded by Mr. Odock, and passed by a unanimous roll call.

CFO discussion: Mr. Fioravanti presented his CFO comparison report and reviewed the current CFO situation and UHY’s duties along with some of the CFO-related work that has been undertaken by Ms. Kelly Reilly. He discussed the possibility of onboarding the Commissioner of Finance, Karen Hablow, with whom he’s met, RBT CPAs and lastly, BST headquartered in the Capitol District for the CFO for hire arrangement. He reviewed their proposals and fees and compared the cost of our current arrangements to the work that we may require from a firm.

With no objections, questions or concerns, a motion to approve RBT and UHY for CFO and Auditing duties was made by Chairman Torelli, seconded by Mr. Odock, and passed by a unanimous roll call.

Chairman's Report

Chairman Torelli thanked Mr. Douthit for his work as a Board member for the OCIDA through the end of the year. He suggested a first-quarter retreat for Board and staff development for 2022 and a calendar for future committee meetings.

Management Report

Mr. Fioravanti stated that he's settling into his position and looks forward to hiring for administrative help for the new year. He discussed changing the signage for new re-branding. He continues to present and reintroduce the OCIDA to the public to rebuild the public's trust and plans to do more presentations. He discussed Accelerator subtenants and the leases that still have not been renewed because of lack of activity or maintenance issues as we continue to support the clients to the best of our ability. He discussed bringing some new tenants in and renewing some of the current Accelerator clients to the end of our lease term. Mr. Fioravanti thanked the Board members who toured Inform Lightworks in New Windsor and noted that we worked together to come up with ways to continue to support them or get them a mentor/landlord and trying to help them find another location so they can continue to develop and launch their business. He anticipates receiving at least one new application next month.

New Business

The Board reviewed the open seats and discussed reappointing new committees. Counsel was asked to comment on the committees and what the IDA will need to do to be in compliance as far as committees and officers are concerned. Ms. Katzoff listed what was needed and recommended that she and Mr. Fioravanti have an opportunity to analyze what Committees we currently have and what we will need in terms of timing. Mr. Odock stated that he was under the impression that his term was ending at the end of December 2021 and planned accordingly. Chairman Torelli asked Mr. Ruskiewicz to bring this up at the next E&E committee for information on reappointments in a letter in

January so that we have a full board in place. Ms. Kaztoff recommended a detailed discussion with Mr. Fioravanti to identify the committees that are most urgently needed and getting reappointments as soon as possible so that we remain in compliance. Mr. Gaenzle will review the OCIDA's Enabling Legislation for a minimum number of Board members and he will discuss further with Ms. Kaztoff offline. Ms. Kaztoff and Mr. Fioravanti will work on a committee schedule for the new year.

Mr. Fioravanti discussed the Newburgh 139 LLC Assignment of Benefits and shared a letter from Mr. Martin Milano, Hampton Inn, Crossroads Court in the Town of Newburgh which is a 10-year PILOT approved by the previous board. Mr. Milano is selling the hotel to a new group who will continue to operate the hotel with no change in operations and no change in employees. Mr. Gaenzle explained the assumption and requested that the board consider an approval. Ms. Kaztoff had no objections if the new owners know how to operate this kind of business. Mr. Fioravanti confirmed that this new group has other hotels in NYC but will be new to the Orange County area. He is scheduled to call them in the upcoming days and stated we will continue to do our due diligence as they are scheduled to close on the purchase of the hotel next week. Mr. Fioravanti confirmed that the current owners are up to date on all property taxes and there are no delinquency or compliance issues on our end.

With no objections, questions or concerns, a motion to approve the Assignment and Assumption was made by Chairman Torelli, seconded by Mr. Douthit, and passed by a unanimous roll call.

Counsel to share their findings with Mr. Fioravanti to be reviewed by the Board.

Mr. Fioravanti noted that he continues to try to fill the vacancies in some of the empty Accelerator buildings as clients have mostly been working from home due to the pandemic. He stated that there are two groups that are interested in leasing the vacant space in the Middletown accelerator. Eczesoothe is one client looking to lease the space for clinical trials of their product and Oxyvita is the other group.

Mr. Fioravanti will work with Counsel on a lease and term sheet for the subtenants to be presented to the Board at the January 2022 meeting for review and approval.

Unfinished Business

Mr. Fioravanti discussed two extension requests for previously approved projects: Leentjes and South Gate Flats Hotel into 2022. After approval, there's a one-year time limit where they must close on their projects. The projects are also looking for an approval of an increased amount of sales tax exemptions due to delays because of the pandemic and the rising cost of materials. Counsel suggested that the projects submit an updated or supplemental application so that the new numbers can be verified, and a new public hearing held. Mr. Fioravanti asked for confirmation that the projects may start making qualified purchases. Counsel confirmed they can purchase up to the initially approved amount and the projects must finalize their initial prior approvals. Once finalized, Counsel will coordinate a new public hearing so that the projects may present anew. The Board will not approve until the supplemental documents are submitted.

At 6:36pm the meeting went into Executive Session

The meeting resumed at 6:38pm.

The Chairman moved to enter a Resolution to commence litigation against Mr. Vincent Cozzolino, Ms. Laurie Villasuso, Mr. Ed Diana, Galileo Technology Group and any officer, shareholder, or manager of GTG to recover funds paid due to void contracts entered into during the unlawful conduct of the aforementioned parties.

A motion to approve the Resolution was made by Chairman Torelli, seconded by Mr. Douthit, and passed by a unanimous roll call.

A motion to adjourn was made, seconded, and unanimously accepted.

The meeting closed at 7:11 pm.

**Orange County IDA
Income and Expense Summary
December 2021**

	Dec	YTD	Budget	Over/(Under)
Income				
Closing Fees	\$ -	\$ 1,666,728	\$ 777,100	\$ 889,628
Fees	\$ -	\$ 253,865	\$ 263,300	\$ (9,435)
IDA Administrative Fees	\$ -	\$ 256,365	\$ 10,000	\$ 246,365
Interest Earnings	\$ 212	\$ 5,325	\$ 41,000	\$ (35,675)
Other Income	\$ -	\$ 1,265,698	\$ 41,000	\$ 1,224,698
Pass Thru Legal Fees	\$ -	\$ 2,500	\$ 10,000	\$ (7,500)
Recovered	\$ -	\$ -	\$ 2,000,000	\$ (2,000,000)
Total Income	\$ 212	\$ 3,450,482	\$ 3,142,400	\$ 308,082
Expenses				
Administrative Costs				
Auditors	\$ 3,920	\$ 97,257	\$ 62,900	\$ 34,357
Insurance	\$ 3,174	\$ 12,784	\$ 13,000	\$ (216)
Professional Fees	\$ -	\$ 47,791	\$ 73,200	\$ (25,409)
Total Administrative Costs	\$ 7,094	\$ 157,832	\$ 149,100	\$ 8,732
Agency Contribution Costs				
Friends of Orange County Youth Bureau Fund	\$ -	\$ 978	\$ 23,000	\$ (22,022)
Hudson Valley Agribusiness Dvl.	\$ -	\$ -	\$ 25,000	\$ (25,000)
O.C. Foreign Trade Zone	\$ -	\$ -	\$ 25,000	\$ (25,000)
T-SEC	\$ -	\$ -	\$ 35,000	\$ (35,000)
Women's Enterprise Dev Center	\$ -	\$ 30,000	\$ 30,000	\$ -
Total Agency Contribution Costs	\$ -	\$ 30,978	\$ 138,000	\$ (107,022)
Legal				
Legal, Pass Thru	\$ -	\$ 50,394	\$ 120,000	\$ (69,606)
Total Legal	\$ -	\$ 55,394	\$ 130,000	\$ (74,606)
Projects				
Project Expenditures	\$ -	\$ -	\$ 500,000	\$ (500,000)
Research and Support	\$ -	\$ -	\$ 100,000	\$ (100,000)
Shovel Ready Program	\$ -	\$ -	\$ 100,000	\$ (100,000)
Total Projects	\$ -	\$ -	\$ 700,000	\$ (700,000)
Total Expenses	\$ 7,094	\$ 244,203	\$ 1,117,100	\$ (872,897)
Income Over/(Under) Expenses	\$ (6,882)	\$ 3,206,278	\$ 2,025,300	\$ 1,180,978

**OCIDA (Accelerator)
Income and Expense Summary
December 2021**

	Dec	Y-T-D	Budget	Over/(Under)
Income				
Client Rent	\$ 8,593	\$ 97,573	\$ 105,000	\$ (7,427)
Interest Income	\$ 4	\$ 63	\$ 100	\$ (37)
Total Income	\$ 8,597	\$ 97,636	\$ 105,100	\$ (7,464)
Expenses				
Salaries & Benefits	\$ 22,986	\$ 221,205	\$ 444,900	\$ (223,695)
Payroll taxes and fees	\$ 6,373	\$ 30,757	\$ 38,800	\$ (8,043)
Management Expense	\$ -	\$ 72,999	\$ 460,000	\$ (387,001)
Accelerator Without Walls	\$ -	\$ 17,563	\$ 400,000	\$ (382,438)
Special Initiatives	\$ -	\$ 2,350	\$ 113,700	\$ (111,350)
Building Expenses:				
Insurance	\$ (194)	\$ 46,327	\$ 24,200	\$ 22,127
Rent	\$ 16,709	\$ 493,077	\$ 667,200	\$ (174,123)
Utilities	\$ 2,991	\$ 73,615	\$ 66,300	\$ 7,315
Repairs & Maintenance	\$ -	\$ 4,185	\$ 3,000	\$ 1,185
Operations	\$ 225	\$ 11,432	\$ 8,400	\$ 3,032
Renovations	\$ -	\$ -	\$ 100,000	\$ (100,000)
	\$ 19,731	\$ 628,636	\$ 869,100	\$ (240,464)
Equipment Maintenance - Other	\$ -	\$ -	\$ 1,000	\$ (1,000)
Information Technology	\$ 183	\$ 34,083	\$ 62,700	\$ (28,617)
Marketing, PR, Website & Membership	\$ 7,101	\$ 103,502	\$ 59,800	\$ 43,702
Office Cleaning	\$ 2,096	\$ 34,950	\$ 77,500	\$ (42,550)
Office Supplies and Postage	\$ 518	\$ 12,249	\$ 21,400	\$ (9,151)
Travel, Lodging & Meals	\$ 895	\$ 895	\$ 8,000	\$ (7,105)
Training & Education	\$ -	\$ -	\$ 5,400	\$ (5,400)
Professional Fees	\$ -	\$ 7,494	\$ 35,000	\$ (27,506)
Conference Expense (BA Sponsored)	\$ -	\$ -	\$ 50,000	\$ (50,000)
Total Expenses	\$ 59,884	\$ 1,167,290	\$ 2,647,300	\$ (1,480,010)
Income Over/(Under) Expenses	\$ (51,287)	\$ (1,069,654)	\$ (2,542,200)	\$ 1,472,546

Orange County Industrial Development Agency
Banks Accounts/Certificates of Deposit/Money Markets Accounts
As of December 31, 2021

Listed in order of maturity date.

Purchase Date	Maturity Date	# of Days	Bank	Principal	Interest Rate
--	--	--	--	\$ 1,000,000	--
11/18/21	5/18/22		Orange Bank & Trust	\$ 250,000	0.20%
11/18/21	8/18/22		Orange Bank & Trust	\$ 250,000	0.25%

Bank	Account Type	Amount	% of total
Chase Bank	Checking Account - IDA Ops	\$ 5,183,065	29%
Orange Bank & Trust	Checking Account - Accelerator Ops	\$ 312,021	12%
M&T	Bank Account	\$ 1,611,540	28%
Orange Bank & Trust	Checking Account - Trust Escrow	\$ 77,817	1%
Total CDs & Treasuries	Certificates of Deposit & Treasuries	\$ 1,000,000	0%
Sterling National	Money Market	\$ 1,721,099	30%
		<u>\$ 9,905,541</u>	<u>100%</u>

OCIDA Vendor Payment Approval
Recurring Bldg Services
January 19, 2022

Approv ID	January 19 2022
Category	Recurring Bldg Services
Amt	Y

Vendor	Invoice	Purpose/Description	Location	Service Date(s)	Sum of Amount
Orange & Rockland	26670-19018	Electricity	Warwick	12/1/21-12/31/21	851.93
Orange & Rockland Total					851.93
Time Warner Cable	15224120221	Internet both buildings	334 Ave of Americas	11/22/21-12/21/21	425.90
Time Warner Cable Total					425.90
Central Hudson Gas & Electric	2100-3415-86-2	Gas & Electric	Newburgh - 603	11/2/21-12/1/21	305.87
	2100-3921-75-2	Gas & Electric	334 Ave of Americas	11/18/21-12/17/21	1,104.31
	2100-4136-65-7	Gas & Electric	Newburgh - 605	11/11/21-12/10/21	238.13
	2100-4053-40-7	Gas & Electric	Newburgh - 603	11/11/21-12/10/21	168.71
Central Hudson Gas & Electric Corp. Total					1,817.02
Complete Document Solutions	IN429482	Copier Prints (B/W & Color)	4 Crotty Ln	11/2/21-12/1/21	146.13
Complete Document Solutions Total					146.13
Xerox Financial Service	2992785	Copier Lease payment	4 Crotty Ln	12/15/21-1/14/22	301.95
Xerox Financial Service Total					301.95
LaMela Sanitation	1CX02710	Trash & Recycle	334 Ave of Americas	12/1/21-12/31/21	230.63
LaMela Sanitation Total					230.63
B4 Holdings	--	Building 603 Rent	Newburgh - 603	11/21-12/21	1,000.00
B4 Holdings Total					1,000.00
First Columbia 4-LA, LLC	607010020210701	Building Rent & CAM	4 Crotty Ln	February 2022	10,509.89
	6.0701E+14	Gas & Electric	4 Crotty Ln	10/21/21-11/18/21	445.02
First Columbia 4-LA, LLC Total					10,954.91
88 Studio, LLC	--	Brand Management & Updated Business Cards	4 Crotty Ln	12/1/21-12/31/21	2,605.00
88 Studio, LLC Total					2,605.00
MidHudson News.com	7074	Monthly Advertising	4 Crotty Ln	12/1/21-12/31/21	1,000.00
MidHudson News.com Total					1,000.00
KR Cleaning	--	Office Cleaning	334 Ave of Americas	January 2022	1,000.00
KR Cleaning Total					1,000.00
TPx Communications	1144876	Phone System	4 Crotty Ln	12/1/21-12/31/21	507.27
	1345569	Phone System	4 Crotty Ln	1/1/22-1/31/22	502.23
TPx Communications Total					1,009.50
Frontier	845-196-1205-020818-4	Internet	Middletown	12/2/21-1/1/22	599.00
		Phone Line	Middletown	12/2/21-1/1/22	90.31
		Ethernet	Middletown	12/4/21-1/3/22	419.09
		Wireless Data Svc	Middletown	12/4/21-1/3/22	315.00
	845-343-2409-020218-4	Phone Line	Middletown	1/2/22-2/1/22	90.40
Frontier Total					1,513.80
Facilities Maintenance Corp.	79249	Cleaning	Middletown	December 2021	1,096.00
Facilities Maintenance Corp. Total					1,096.00
Orange County Chamber of Commerce	114621	Annual Membership	4 Crotty Ln	1/1/22-12/31/22	457.00
Orange County Chamber of Commerce Total					457.00
Crystal Rock	21066678 111221	H2O & Cooler	4 Crotty Ln	12/8/21	27.38
Crystal Rock Total					27.38
Cardmember Service	4798510053527392	Marketing, PR, Membership	4 Crotty Ln	11/9/21-12/9/21	302.61
Cardmember Service Total					302.61
Marangi Disposal	1C100599	Trash & Recycle	Middletown	12/1/21	107.02
Marangi Disposal Total					107.02

Credit Card Payment Process	3074	GoDaddy,Google G-Suite, Visonect,Zoom, Survey	4 Crotty Ln	11/23/21-12-16-21	884.91
Credit Card Payment Processing Total					884.91
National Business Leasing	74893626	Copier	Middletown	12/15/21-1/14/22	360.36
National Business Leasing Total					360.36
Grand Total					26,092.05

OCIDA Vendor Payment Approval
Monthly Contracts
January 19, 2022

Approv ID	January 19 2022
Category	Monthly Contracts
Amt	Y

Vendor	Invoice	Purpose/Description	Location	Service Date(s)	Sum of Amount
UHY Advisors	620413790	Monthly Retainer / Bookkeeper /Quickbooks	4 Crotty Ln	Jul-Dec 2021	1,789.00
	620413792	Monthly Retainer / Bookkeeper /Quickbooks	4 Crotty Ln	Jul-Dec 2021	2,926.25
UHY Advisors Total					4,715.25
Loewke Brill Consulting	16-011-065	Site Visits & Reporting	4 Crotty Ln	12/23/21	3,920.00
Loewke Brill Consulting Total					3,920.00
Bousquet Holstein PLLC.	229636	General Counsel - Teleconference	4 Crotty Ln	11/19/21	162.50
Bousquet Holstein PLLC. Total					162.50
ITC	111401	Internet	4 Crotty Ln	12/14/2021-12/15/21	2,141.39
	111443	Internet	4 Crotty Ln	12/14/21-12/15/21	1,082.80
ITC Total					3,224.19
Grand Total					12,021.94

OCIDA Vendor Payment Approval
All Other
January 19, 2022

Approv ID	January 19 2022
Category	All Other
Amt	Y

Vendor	Invoice	Purpose/Description	Location	Service Date(s)	Sum of Amount
Orange County IDA	(blank)	Labor Audit Funds transferred to Escrow Acct	4 Crotty Ln	January 2022	7,400.00
Orange County IDA Total					7,400.00
William A. Smith & Son	3052-3053	Coverage	4 Crotty Ln	12/17/21	3,174.00
William A. Smith & Son Total					3,174.00
NYSEDC	12942	Annual Membership	4 Crotty Ln	1/1/22	2,000.00
NYSEDC Total					2,000.00
Galo Ullauri (Seco Silkscreen)	11056453	Building Repairs	334 Ave of Americas	12/28/21	38.62
Galo Ullauri (Seco Silkscreen) Total					38.62
Grand Total					12,612.62

RESOLUTION OF THE ORANGE COUNTY INDUSTRIAL
DEVELOPMENT AGENCY (IDA)

WHEREAS, by Title I of Article 18-A of the General Municipal Law of the State of New York and the New York General Municipal Law Section 912, (herein collectively referred to as the “Act”), the ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY (hereinafter referred to as the “Agency”), was created with the authority and power to own, lease and sell property for the purpose of, among other things, acquiring, constructing and equipping civic, industrial, manufacturing and commercial facilities as authorized by the Act; and

WHEREAS, on August 22, 2017, the Agency entered into a Lease Agreement with the Danza Leser Group, LLC, (the “Agency’s Lease”) for the rental of approximately 7500 sq. ft. of space, which included Suites 1 through Suite 19, located at 60 Prospect Avenue, Middletown, New York, 10940 (the “Premises”); and

WHEREAS the Agency’s Lease will expire as of November 19, 2022; and

WHEREAS the Agency desires to enter into subleases for Suites 10, 11 and 15 of the Premises (the “Leased Suites”) for the period from February 1, 2022, through November 19, 2022, the date on which the Agency’s Lease terminates, if not earlier terminated by either party; (the “Subleases”); and

WHEREAS the Agency desires to negotiate the rental payments due in connection with the Subleases; and

WHEREAS the Subleases are attached hereto and made a part hereof and have been reviewed by the Agency; and

WHEREAS, after analysis and discussion, the Board of Directors of the Agency, by a majority vote of the members, at a Regular meeting, at which a quorum was present, have reviewed the Subleases and have determined that it would be in the best interest of the Agency to adopt a resolution authorizing the execution of the Subleases, substantially in the form annexed hereto; and

NOW, THEREFORE, BE IT RESOLVED, BY THE MEMBERS OF THE ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS:

RESOLVED, that the Agency is hereby authorized to offer the Subleases for the Leased Suites, which Subleases shall expire on November 19, 2022, the date on which the Agency's Lease terminates, if not earlier terminated by either party; and be it further

RESOLVED, that the Agency has reviewed and approved the Subleases, substantially in the form annexed hereto, and hereby authorizes the Chairperson, Vice Chairperson, Chief Executive Officer and/or Managing Agent of the Agency to negotiate the final terms of the Subleases, including, but not limited to, the rental payments for the Subleases, and to agree upon such terms and conditions as the Chairperson, Vice Chairperson, Chief Executive Officer and/or Managing Agent shall, in his or her sole discretion, deem acceptable; and be it further

RESOLVED, that the Agency hereby authorizes the Chairperson, Vice Chairperson, Chief Executive Officer and/or Managing Agent of the Agency to execute the Subleases on such terms and conditions as the Chairperson, Vice Chairperson, Chief Executive Officer and/or Managing Agent shall, in his or her sole discretion, deem acceptable; and be it further

RESOLVED, that the Chairperson, Vice Chairperson, Chief Executive Officer and/or Managing Agent of the Agency are hereby authorized and directed, in the name of and on behalf of the Agency, to do and perform all such other acts, and to sign and make such other agreements, and to execute any other documents and to take or omit such other actions as he or she, in his or her sole discretion, shall deem necessary or advisable to enter into the Further Subleases and to carry out the intent of these resolutions.

RESOLVED, that these Resolutions shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to vote on roll call on January 17, 2022, which resulted as follows:

In favor _____ Against _____ Motion _____ does _____ does not carry.

STATE OF NEW YORK)
COUNTY OF ORANGE) ss:

I, the undersigned Secretary of the Orange County Industrial Development Agency, do hereby certify:

That I have compared the foregoing extract of the minutes of the Regular Meeting of the Orange County Industrial Development Agency (the “Agency”), including the resolution contained therein, held on the 17th day of January, 2022, with the original thereof on file in my office, and the same is a true and correct copy of the proceedings of the Agency and of such resolution set forth therein and of the whole of said original insofar as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that all members of the Agency had notice of said meeting, that the meeting was in all respects duly held and that, pursuant to Article 7 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public and that public notice of the time and place of said meeting was duly given in accordance with Article 7.

I FURTHER CERTIFY that there was a quorum of the members of the Agency present throughout the meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or modified.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of said Agency this day of January 2022

, Secretary



Empowering Businesses. Inspiring Growth.

APPLICATION FOR FINANCIAL ASSISTANCE

Citiva Medical, LLC

(Applicant Name)

01/14/2022

(Date of Application)

Orange County IDA
4 Crotty Lane, Suite 100
New Windsor, NY 12553
Phone: 845-234-4192 Fax: 845-220-2228
www.ocnyida.com
business@ocnyida.com

Updated August 25, 2021



Empowering Businesses. Inspiring Growth.

OCIDA Board

Michael Torelli
Chairman

John Douthit
Vice Chairman

Lesley Pierri
Secretary

Vincent Odock
Assistant Secretary

Paul Ruskiewicz
Board Member

Dean Tamburri
Board Member

OCIDA Staff

Bill Fioravanti
Agent Manager

Kelly Reilly
Project Manager

Harris Beach PLLC
IDA Bond Counsel



Empowering Businesses. Inspiring Growth.

MISSION STATEMENT

“The mission of the Orange County Industrial Development Agency is to **promote economic growth** through a program of incentives-based allocations that assist in the construction, equipping and maintenance of specific types of projects and facilities. The IDA works to advance the health, prosperity and economic welfare of our County’s citizens by **retaining and creating jobs and attracting new businesses.**”



Empowering Businesses. Inspiring Growth.

Index

The sections below make up the information and documents that must be completed and submitted to the OCIDA for a project application to be considered. Failure to provide the required information may cause a delay in the project being considered in a timely manner.

Section I.....	Applicant Information:	pg. 5
.....	Financial Information:	pg. 10
Section II.....	Project Information:	pg. 11
Section III.....	Financial Assistance Requested:	pg. 16
Section IV	Employment Plan:	pg. 18
Section V	Representations by the Applicant:	pg. 21

Fill in all blanks, using “none” or “not applicable” or “N/A” where the question does not pertain to the applicant’s project.

Attachments	Hold Harmless Agreement:	pg. 24
.....	Retail Questionnaire:	pg. 27
.....	Fee Schedule:	pg. 29
.....	Project Scoring Criteria:	pg. 32
.....	Labor Policy:	pg. 34



Empowering Businesses. Inspiring Growth.

APPLICATION FOR FINANCIAL ASSISTANCE

I. APPLICANT INFORMATION

A) APPLICANT

Company Name: Citiva Medical, LLC
Mailing Address: 420 Lexington Ave., Ste. 414 New York, NY 10170
Phone No.: (631) 767-3615
Fax No.:
Fed Id. No.: 47-3033075
Contact Person: Sean Barravecchio
Title: Director, Compliance and Security
Contact Phone No.: (631) 767-3615
Contact Email: sean.barravecchio@citiva.com

IDA Management must be able to reach the Applicant's Contact throughout the duration of the Agreement. Should this information change at any time IDA Management should be notified immediately. Please initial stating you understand and consent to the above SB

B) INDIVIDUAL COMPLETING APPLICATION

Name: Colleen Hughes
Company Name: Creative Consulting Consortium, LLC
Title: Founder
Address: 180 Main St. 2E, Goshen, NY 10924
Phone No.: (845) 591-4728 Fax No.:
Email: colleen@cococreativeny.com

C) **APPLICANT'S COUNSEL**

Name: Erin McCarthy, Esq.

Address: 420 Lexington Ave., Ste. 414, New York, NY 10170

Phone No.: (609) 412-0173

Fax No.: _____

Email: erin.mccarthy@ianthus.com

IDA Management must be able to reach the Applicant's Counsel throughout the duration of the Agreement. Should this information change at any time IDA Management should be notified Immediately. Please initial stating you understand and consent to the above SB

D) **APPLICANT'S AUDIT CONTACT**

Name: Marcum LLP

Address: 10 Melville Park Rd., Melville, New York 11747

Phone No.: (631) 414-4000

Fax No.: (631) 414-4001

Contact Email: _____

The IDA is legally required to submit an annual PARIS report to the state that requires information from each project. Applicant participation is **NOT OPTIONAL**. **ALL INFORMATION** must be submitted in a **COMPLETE** and **TIMELY** manner. Failure to comply with this request **WILL RESULT** in a **LOSS/RECAPTURE** of **ALL OR SOME** of your benefits. Please initial stating you understand and consent to the above SB

E) **APPLICANT'S GENERAL CONTRACTOR/CONSTRUCTION MANAGER**

Name/Contact: Jeff Greene

Address: 420 Lexington Ave., Ste. 414, New York, NY 10170

Phone No.: (646) 533-5463

Fax No.: _____

Email: Jeff.Greene@ianthus.com

See Attachment I.E.

F) Principal Owners/Officers/Directors (list owners with 15% or more in equity holdings with percentage ownership):

Name	Office Held	% of Ownership	% of Voting Rights
iAnthus Capital Management, LLC	Owner	100%	100%
Randy Maslow	President	N/A	N/A
John Henderson	Senior Vice President	N/A	N/A

**Please attach chart if space provided is not sufficient.

G) Corporate Structure (*attach schematic if applicant is a subsidiary or otherwise affiliated with another entity*)
See Attachment I.G.

Form of Entity

Corporation

Date of Incorporation: _____

State of Incorporation: _____

Partnership

General _____ or Limited _____

Number of general partners _____

If applicable, number of limited partners _____

Date of formation _____

Jurisdiction of Formation _____

Limited Liability Company/Partnership (number of members One)

Date of organization: 02/03/2015

State of Organization: New York

Sole Proprietorship

H) If a foreign organization, is the applicant authorized to do business in the State of New York?

Yes or No N/A

If no, please explain below:

N/A

**Please attach narrative if space provided is not sufficient.

I) If any of the above persons, or a group of them, owns more than a 50% interest in the company, list all other organizations which are related to the company by such persons having more than a 50% interest in such organizations.

Citiva Medical, LLC is wholly owned by iAnthus Capital Management, LLC. iAnthus Capital Management, LLC is wholly owned by iAnthus Capital Holdings, Inc. No individual person holds more than a 50% interest in Citiva Medical, LLC, iAnthus Capital Management, LLC or iAnthus Capital Holdings, Inc.

See Attachment I.G.

**Please attach chart if space provided is not sufficient.

J) Is the company related to any other organization by reason of more than 50% common ownership? If so, indicate name of related organization and relationship.

See Attachment I.G.

**Please attach narrative if space provided is not sufficient.

K) Has the Applicant or any of its affiliated organizations ever received OCIDA benefits? Yes or No

If yes, please describe the assisted project below:

N/A

**Please attach narrative if space provided is not sufficient.

L) Legal Questions:

1. Is the Company presently the subject of any litigation, or is any litigation threatened, which would have a material adverse effect on the Company's financial condition?

Yes or No

2. Has the company or any of its affiliates ever been involved in bankruptcy, a creditor's rights or receivership proceeding, or sought protection from creditors?

Yes or No

3. Has the Company ever settled a debt with a lending institution for less than the full amount outstanding?

Yes or No

4. Has any senior manager or principal of the Company ever been convicted of any felony or misdemeanor, other than a minor traffic violation, or are any such charges pending?

Yes or No

5. Has the Company or any of its affiliates, been cited for a violation of federal, State or local laws or regulations with respect to labor practices, hazardous wastes, environmental pollution or operating practices?

Yes or No

6. Are there any outstanding judgments or liens pending against the Company other than liens in the normal course of business?

Yes or No

7. Is the Company delinquent on any New York State, federal or local tax obligations?

Yes or No

If your answer is "YES" for any of the above questions, please provide an explanation:

N/A

**Please attach narrative if space provided is not sufficient.

M) Has the company (or any related corporation or person) made a public offering or private placement of its stock within the last year? Yes or No

If yes, please attach offering statement used.

N) Brief description of Company History (formation, growth, transitions, location):

Citiva Medical, LLC is a New York limited liability company organized on February 3, 2015. In February 2018, iAnthus Capital Management, LLC acquired a 100% ownership interest in Citiva Medical. Citiva Medical is one of ten Registered Organizations (companies) in the New York State Medical Cannabis Program.

**Please attach narrative if space provided is not sufficient.

Estimated % of sales within the County:

Estimated % of sales outside the County but within NYS:

Estimated % of sales outside NYS but within the U.S.:

Estimated % of sales outside the U.S.:

P) Sales and income projection or a project pro forma for proposed project for the next 3 to 5 years.

See Attachment I.P.

**Please attach chart if space provided is not sufficient

O) Is the applicant (Company) party in compliance with local, state, and federal taxes, workers' protection, and environmental laws? **Yes** or **No**

If no, please describe below:

N/A

**Please attach narrative if space provided is not sufficient

FINANCIAL INFORMATION OF THE COMPANY

A. For existing businesses:

- The Applicant must submit three (3) years of accountant prepared financial statements.
- The Applicant must submit a current Certificate of Good Standing from the Department of State for the business.

See Attachments A1 and A2 for 2017, 2018, 2019 and 2020 financial statements; see Attachment A3 for Certificate of Good Standing.

B. For new businesses:

- The Applicant must submit three (3) years of personal tax returns for the owner(s).
- The Applicant must submit three (3) years of tax returns for the related businesses as well as Certificates of Good Standing from the Department of State.

The requested Financial Information of the Company is to be kept confidential and is not subject to the Freedom of Information Law (FOIL).

II. PROJECT INFORMATION

A) Project Address: 65-75 John Hicks Drive, Warwick, NY

Tax Map Number 46-1-49; 46-1-50
(Section/Block/Lot)

Located in City of _____

Located in Town of Warwick

Located in Village of _____

School District of Warwick Valley Central School District

B) Are utilities on site?

Water Yes Electric Yes

Gas Yes Sanitary/Storm Sewer Yes

C) Present legal owner of the site iAnthus Empire Holdings, LLC
If other than from applicant, by what means will the site be acquired for this project?
N/A

D) Zoning of Project Site: Current: O1 Proposed: O1

E) Are any variances needed? No

F) Furnish a copy of any environmental application presently in process of completion concerning this project, providing name and address of the agency, and copy all pending or completed documentation and determinations. N/A

G) Attach copies of preliminary plans or sketches of proposed construction or rehabilitation or both.
See Attachment II.G.

H) Statement describing project (i.e. land acquisition, construction of manufacturing facility, etc.):

Construction of Citiva Medical, LLC's ("Citiva") proposed permanent Warwick facility will allow for the cultivation, processing and sale of medical marijuana produced at the facility, expanding Citiva's product offerings at its dispensaries and providing safe access by patients to high-quality medical cannabis products. The project will be completed in accordance with a long-term, multi-phased buildout plan, encompassing a headhouse, which will serve as the operational nerve center for manufacturing and processing activities, and a greenhouse, for the cultivation of cannabis plants.

All preliminary work has been completed. The next phase of the project will involve the interior buildout of the headhouse and processing facility (approximately 30,000 square feet) as well as construction of the first one-third of the greenhouse (approximately 38,000 square feet). Once completed, and dependent upon other external factors, work will then commence on the final phase of the project, the construction of the remaining two-thirds of the greenhouse (approximately 60,000 square feet).

**Please attach narrative if space provided is not sufficient.

I) Statement describing the impact of incentives on this project, should they be granted:

The requested incentives will allow for the timely advancement of this project so that Citiva can commence cultivation and manufacturing operations at its facility in the Town of Warwick in Orange County, New York. The incentives will enable Citiva to complete the buildout of a fully operational, permanent manufacturing facility in compliance with certain regulatory requirements upon which the continued good standing of Citiva Medical, LLC's registration as a Registered Organization in the New York State Medical Cannabis Program is conditioned.

**Please attach narrative if space provided is not sufficient.

J) Statement describing the economic benefit to the surrounding community resulting from this project:

The facility is projected to create 100 jobs with full benefits, approximately 80 of which are expected to be filled by residents of the Labor Market Area where the project is located, which includes the Town of Warwick, Orange County, and the surrounding region. The project will also involve considerable construction, engineering, and architectural expenditures, much of which will be paid directly to local contractors, subcontractors, and professionals.

**Please attach narrative if space provided is not sufficient.

K) Anticipated Date of Operation: TBD; completion of multi-phased buildout will take approximately 12-15 months.

L) Principal use of project upon completion:

- manufacturing warehousing research offices
- industrial recreation retail residential
- training data process other

If other, explain: _____

M) NAICS Code: 424990/111422

N) Estimated Project Costs, including: See Attachment II.N.

Value of property to be acquired: \$ _____

Value of improvements: \$ _____

Value of equipment to be purchased: \$ _____

Estimated cost of engineering/architectural services: \$ _____

Other: \$ _____

Total Capital Costs: \$ _____

Project refinancing; estimated amount
(for refinancing of existing debt only) \$ _____

Sources of Funds for Project Costs: See Attachment II.N.

Bank Financing: \$ _____

Equity (excluding equity that is attributed to grants/tax credits) \$ _____

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:	\$ _____

O) Inter-Municipal Move Determination

Will the project result in the removal of a plant or facility of the applicant from one area of the State of New York to another?

Yes or No

Will the project result in the removal of a plant or facility of another proposed occupant of the project from one area of the State of New York to another area of the State of New York?

Yes or No

Will the project result in the abandonment of one or more plants or facilities located in the State of New York?

Yes or No

If Yes to any of the questions above, explain how, notwithstanding the aforementioned closing or activity reduction, the Agency's Financial Assistance is required to prevent the Project from relocating out of the State, or is reasonably necessary to preserve the Project occupant's competitive position in its respective industry:

N/A

Project Data

1. Project site (land)

(a) Indicate approximate size (in acres or square feet) of project site.

8.6 acres.

(b) Are there buildings now on the project site? Yes No

(c) Indicate the present use of the project site.

Land undergoing development.

(d) Indicate relationship to present user of project.

Applicant is present user.

2. Does the project involve acquisition of an existing building or buildings?
If yes, indicate number, size and approximate age of buildings:

No.

3. Does the project consist of the construction of a new building or buildings?
If yes, indicate number and size of new buildings:

Yes. Two connected buildings totaling approximately 128,000 sq. ft.; headhouse (approx. 30,000 sq. ft.), and greenhouse, approximately (98,000 sq. ft.).

4. Does the project consist of additions and/or renovations to existing buildings?
If yes, indicate nature of expansion and/or renovation:

No.

5. Estimated Start Date of Construction: 07/01/2018

6. Estimated End Date of Construction: TBD; completion of multi-phased buildout will take approximately 12-15 months.

7. What will the building or buildings to be acquired, constructed or expanded be used for by the company?
(Include description of products to be manufactured, assembled or processed, and services to be rendered. . .

Cultivation, extraction, manufacturing, and packaging of cannabis and cannabis products.

. . . *including* the percentage of building(s) to be used for office space and an estimate of the percentage of the functions to be performed at such office not related to the day-to-day operations of the facilities being financed.)

0.47% of the facility will be used for office space. Functions to be performed at such offices are all related to the day-to-day operations of the facility.

8. If any space in the project is to be leased to third parties, indicate total square footage of the project amount to be leased to each tenant and proposed use by each tenant.

N/A

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

Cultivation tables, lighting, HVAC equipment, climate control systems, extraction and processing laboratory equipment, fertigation equipment, freezers, commercial kitchen, and other miscellaneous equipment.

10. Has construction work on this project begun? **Yes** or **No**

Complete the following

(a) site clearance	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<u>100</u> % complete
(b) foundation	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<u>70</u> % complete
(c) footings	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<u>85</u> % complete
(d) steel	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<u>23</u> % complete
(e) masonry work	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<u>0</u> % complete
(f) other (describe below)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<u>0</u> % complete

Other work: plumbing, electrical and framing work.

III. FINANCIAL ASSISTANCE REQUESTED

A) Benefits Requested:

- Sales Tax Exemption Tax-Exempt/ Taxable Revenue Bond
 Mortgage Recording Tax Exemption Real Property Tax Agreement

B.) Value of Incentives:

IDA PILOT Benefit: Agency staff will indicate the amount of PILOT Benefit based on estimated Project Costs as contained herein and anticipated tax rates and assessed valuation, including the annual PILOT Benefit abatement amount for each year of the PILOT benefit year and the sum total of PILOT Benefit abatement amount for the term of the PILOT as depicted under the heading "Real Property Tax Benefit (Detailed)" of the Application.

Sales and Use Tax: See Attachment III.B.

Estimated value of Sales Tax exemption for facility construction:
\$ _____ X .08125 = \$ _____

(Amount of Project Cost Subject to Tax X Sales Tax Rate = Total)

Estimated Sales Tax exemption for fixtures and equipment:
\$ _____ X .08125 = \$ _____

(Amount of Project Cost Subject to Tax X Sales Tax Rate = Total)

Estimated duration of Sales Tax exemption: _____
***Should coincide with construction timeline.*

Mortgage Recording Tax Exemption Benefit: N/A

Estimated value of Mortgage: \$ _____

Estimated value of Mortgage Recording Tax exemption:

\$ _____ X .0075 = \$ _____

(Projected Amount of Mortgage X Mortgage Recording Tax = Total)

Tax-Exempt/ Taxable Revenue Bond Benefit: N/A

Amount of Bonds, if requested: \$ _____

Is a purchaser for the Bonds in place?

Yes or No

Percentage of Project Costs financed from Public Sector sources:

Agency staff will calculate the percentage of Project Costs financed from Public Sector sources based upon Sources of Funds for Project Costs as depicted above under the heading “Estimated Project Costs” (Section II(l)) of the Application.

C.) Likelihood of Undertaking Project without Receiving Financial Assistance

Please confirm by checking the box below, will this project move forward without the requested incentives?

Yes or **No**

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

While a portion of the project may proceed without the Agency's Financial Assistance, the overall scope of the project would be severely diminished without the incentives sought. More specifically, not receiving Financial Assistance would likely reduce the project size, facility output, overall number of jobs and our ability to spearhead and support meaningful community programs. Conversely, receiving Financial Assistance would increase Citiva's ability to complete the full scope of the project and help the Company effectively compete with other companies in the adult-use cannabis marketplace, most of whom received similar Financial Assistance from this or other Industrial Development Agencies, for many years to come.

In other words, the contemplated incentives would provide both short and long-term benefits to Citiva. In the short-term, the sales tax exemptions would significantly reduce the overall cost of the project. In the long-term, the PILOT benefit would help reduce the Company's operating expenses.

It should also be noted that although Citiva is exploring a potential sale-leaseback transaction with a Real Estate Investment Trust (REIT), such financing would not cover a large amount of equipment needed to operate the facility. Moreover, REIT financing would not in any way reduce the Company's operating expenses – this could only be done through a PILOT.

We are confident that the Agency's Financial Assistance could provide us with the long-term economic sustainability we need to complete the full scope of the project and meaningfully contribute to local economic development efforts.

IV. EMPLOYMENT PLAN

A) Current Employee Headcount:

	Current # of jobs at proposed project location or to be relocated to project location	IF FINANCIAL ASSISTANCE IS GRANTED – project the number of FTE and PTE jobs to be RETAINED	IF FINANCIAL ASSISTANCE IS GRANTED – project the number of FTE and PTE jobs to be CREATED upon THREE Years after Project completion	Estimate number of residents of the Labor Market Area in which the Project is located that will fill the FTE and PTE jobs to be created upon THREE Years after Project Completion **
Full time (FTE)	N/A	N/A	100	80
Part Time (PTE)	N/A	N/A	0	0
Total	N/A	N/A	100	80

Full-time Employee Definition: (i) a full-time, permanent, private-sector employee on the Company’s payroll, who has worked at the Project Location for a minimum of 35 hours per week for more than six months of a year and who is entitled to receive the usual and customary fringe benefits extended by Recipient to other employees with comparable rank and duties; or (ii) two part-time, permanent, private sector employees on Recipient’s payroll, who have worked at the Project Location for a combined minimum of 35 hours per week for more than six months of a year and who are entitled to receive the usual and customary fringe benefits extended by Recipient to other employees with comparable rank and duties.

**For the purposes of this question, please estimate the number of FTE and PTE jobs that will be filled, as indicated in the third column, by residents of the Labor Market Area, in the fourth column. The Labor Market Area includes Orange County and the surrounding region (or six other contiguous counties, including Orange County, chosen at the Agency’s discretion).

B) Salary and Fringe Benefits for Jobs to be Created:

Category of Jobs to be Created	Number of Jobs Year 1	Number of Jobs Year 2	Number of Jobs Year 3	Average Salary or Salary Range	Average Fringe Benefit or Range of Fringe Benefits
Management	16	16	16	\$57,000-\$120,000*	\$5,000-\$10,000
Professional	N/A	N/A	N/A	N/A	N/A
Administrative	N/A	N/A	N/A	N/A	N/A
Sales	3	3	3	\$65,000-\$80,000	\$5,000-\$7,000
Production/ Manufacturing	81	81	81	\$33,000-\$65,000**	\$3,000-\$5,000
Independent Contractor	N/A	N/A	N/A	N/A	N/A
Other (specify)	N/A	N/A	N/A	N/A	N/A

If there is a salary range larger than \$20,000 in a category above please provide additional breakdown information below:

*Typical direct labor supervisor salary range is \$57,000 - \$65,000; department management salary range is \$100,000 - \$120,000.

**Typical manufacturing salary range is \$33,000 - \$50,000; facilities/maintenance average salary is \$65,000.

**Please attach breakdown if space provided is not sufficient.

C) **Salary and Fringe Benefits for Jobs to be Retained:** N/A. We do not currently employ anyone at Warwick. All jobs are new.

Category of Jobs to be Retained	Current Number of Jobs	Average Salary or Salary Range	Average Fringe Benefit or Range of Fringe Benefits
Management			
Professional			
Administrative			
Sales			
Production/ Manufacturing			
Independent Contractor			
Other (specify)			

If there is a salary range larger than \$20,000 in a category above please provide additional breakdown information below:

N/A

**Please attach breakdown if space provided is not sufficient.

D) Please attach a projected hiring plan if conducted on a monthly time frame and not conducted on an annual basis as broken down in the charts above.

E) Describe the benefits or benefits package offered to employees:

Citiva, through its parent company, iAnthus Capital Management, LLC ("iAnthus"), offers medical, dental, and vision benefits to all employees and their families, including domestic partners. iAnthus offers up to 16 weeks of parental leave (paternal and maternal) for adoption or birth of a child. There is no probationary period for paid time off ("PTO") accruals or holidays. Employees are offered these benefits from the date of commencement of employment.

**Please attach narrative if space provided is not sufficient.

F) Describe internal training and advancement opportunities offered to employees:

iAnthus encourages the continuation of education by providing reimbursement of tuition costs for applicable courses through its Training and Development Program. Employees are given the opportunity to participate in iAnthus trainings in areas including but not limited to professional development, manager training sessions, and product knowledge. All employees are trained on state compliance regulations, environmental health and safety, security protocols, and role-specific on-the-job training. Advancement opportunities include all company access to job postings and an application/interview process where all internal candidates are considered.

**Please attach narrative if space provided is not sufficient.

V. REPRESENTATIONS BY THE APPLICANT

The Applicant understands and agrees with the Agency as follows:

- A. Job Listings In accordance with Section 858-b(2) of the New York General Municipal Law, the applicant understands and agrees that, if the proposed project receives any Financial Assistance from the Agency, except as otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the proposed project must be listed with the New York State Department of Labor Community Services Division (the "DOL") and with the administrative entity (collectively with the DOL, the "JTPA Entitle") of the service delivery area created by the federal job training partnership act (PublicLaw 97-300) ("JTPA") in which the project is located.
- B. First Consideration for Employment In accordance with Section 858-b(2) of the General Municipal Law, the applicant understands and agrees that, if the proposed project receives any Financial Assistance from the Agency, except as otherwise provided by collective bargaining agreements, where practicable, the applicant must 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 proposed project.
- C. A liability and contract liability policy for a minimum of three million dollars will be furnished by the Applicant insuring the Agency.
- D. Annual Sales Tax Fillings In accordance with Section 874(8) of the General Municipal Law, the Applicant understands and agrees that, if the proposed 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.
- E. Annual Employment Reports: The applicant understands and agrees that, if the proposed 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. The applicant will receive a request for information in the fourth quarter of each year that Financial Assistance is utilized and agrees to return the information by the end of January the following year.
- F. Compliance with N.Y. GML Sec. 862(1): 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.
- G. Compliance with Applicable Laws: 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.
- H. False and Misleading Information: 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.

- I. Recapture: Should the Applicant not expend, hire as presented, or violates Sales Tax Exemption regulations, the Agency may view such information/status as failing to meet the established standards of economic performance. In such events, some or all of the benefits taken by the Applicant will be subject to recapture.
- J. Rescission of Benefits Conferred: Applicant understands and agrees that in the event that (a) the Applicant does not proceed to final Agency approval within six (6) months of the date the Agency adopts its initial approval resolution and/or (b) close with the Agency on the requested financial assistance within twelve (12) months of the date the Agency adopts its initial resolution, the Agency reserves its right to rescind and cancel all prior approvals. In the event the Agency rescinds its approvals and the Applicant re-applies to the Agency, the Applicant understands and agrees that its re-application will be subject to any and all changes in law, Agency policies or fees imposed by the Agency that are in effect as of the date of re-application.
- K. Absence of Conflicts of Interest: The applicant has received from the Agency a list of the members, officers, and employees of the Agency. No member, officers or employee of the Agency has an interest, whether direct or indirect, in any transaction contemplated by this Application, except as hereinafter described:
- L. Freedom of Information Law (FOIL): The applicant acknowledges that the OCIDA is subject to New York State's Freedom of Information Law (FOIL). Applicants understand that all project information and records related to this application are potentially subject to disclosure under FOIL subject to limited statutory exclusions.

The Applicant and the individual executing this Application on behalf of applicant acknowledge that the Agency and its counsel will rely on the representations made in this Application when acting hereon and hereby represents 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.

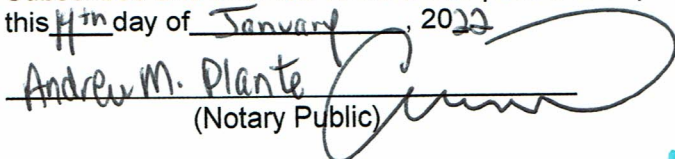
STATE OF NEW YORK)
COUNTY OF ORANGE) ss.:

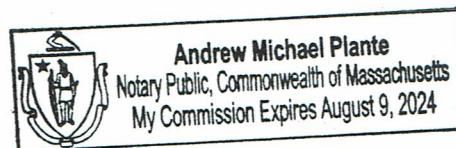
John Henderson, being first duly sworn, deposes and says:

1. That I am the Sr vp (Corporate Office) of Citiva Medical, 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 4th day of January, 2022


(Notary Public)



This Application should be submitted to:

Orange County Industrial Development Agency
c/o Michael Torelli, Chairman
Orange County Business Accelerator
4 Crotty Lane, Suite 100
New Windsor, NY 12553.

The Agency will collect an administrative fee at the time of closing.

SEE ATTACHED FEE SCHEDULE

Transaction Counsel
RUSSELL GAENZLE, ESQ.
Harris Beach PLLC
99 Garnsey Road
Pittsford, New York 14534
Tel: (585) 419-8633
Fax: (585) 419-8817



Empowering Businesses. Inspiring Growth.

HOLD HARMLESS AGREEMENT

Applicant hereby releases the ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY and the members, officers, servants, agents and employees thereof (the "Agency") 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 processing of the Application, including attorneys' fees, if any.

[Handwritten Signature]

(Applicant Signature)

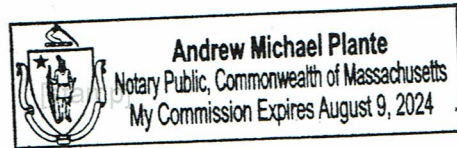
By: Citiva Medical, LLC

Name: John Henderson

Title: Sr VP

[Handwritten Signature: Andrew M. Plante]
(Notary Public)

Sworn to before me this 14th day
of January, 2022





Empowering Businesses. Inspiring Growth.

To be completed/calculated by AGENCY

Real Property Tax Benefits (Detailed):

** This section of this Application will be: (i) completed by IDA Staff based upon information contained within the Application, and (ii) provided to the Applicant for ultimate inclusion as part of this completed Application.

PILOT Estimate Table Worksheet

Dollar Value of New Construction and Renovation Costs	Estimated New Assessed Value of Property Subject to IDA*	County Tax Rate/1000	Local Tax Rate (Town/City/Village)/1000	School Tax Rate/1000

*Apply equalization rate to value

PILOT Year	% Payment	County PILOT Amount	Local PILOT Amount	School PILOT Amount	Total PILOT	Full Tax Payment w/o PILOT	Net Exemption
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
TOTAL							

*Estimates provided are based on current property tax rates and assessment values

Cost Benefit Analysis:

To be completed/calculated by AGENCY

Costs =
Financial Assistance

Benefits =
Economic Development

*Estimated Sales Tax Exemption \$ _____

New Jobs Created
Permanent _____
Temporary _____

Existing Jobs Retained
Permanent _____
Temporary _____

Estimated Mortgage Tax Exemption \$ _____

Expected Yearly Payroll \$ _____

Estimated Property Tax Abatement \$ _____

Expected Gross Receipts \$ _____

Additional Revenues to School Districts

Additional Revenues to Municipalities

Other Benefits _____

Estimated Interest Savings IRB Issue \$ _____

Private Funds invested \$ _____

Likelihood of accomplishing proposed project within three (3) years

Likely or Unlikely

* Estimated Value of Goods and Services to be exempt from sales and use tax as a result of the Agency's involvement in the Project. PLEASE NOTE: These amounts will be verified and there is a potential for a recapture of sales tax exemptions (see "Recapture" on page 10).

\$ _____ (to be used on the NYS ST-60)



Empowering Businesses. Inspiring Growth.

Fill out when instructed by Agency

RETAIL QUESTIONNAIRE

To ensure compliance with Section 862 of the New York General Municipal Law, the Agency requires additional information if the proposed Project is one where customers personally visit the Project site to undertake either a retail sale transaction or purchase services.

- A) Will any portion of the Project consist of facilities or property that will be primarily used in making sales of goods or services to customers who personally visit the Project site? Yes No
- B) What percentage of the cost of the Project will be expended on such facilities or property primarily used in making sales of goods or services to customers who personally visit the Project? _____ %
- C) Is the Project location or facility likely to attract a significant number of visitors from outside the Mid-Hudson Economic Development Region (i.e.: Orange, Dutchess, Putnam, Rockland, Sullivan, Ulster, and Westchester counties)? Yes No
- D) Will the Project make available goods or services which are not currently reasonably accessible to the residents of the municipality within which the proposed Project would be located? Yes No
- E) 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

If yes, explain:

**Please attach narrative if space provided is not sufficient.

- F) Will the Project be located in an area designated as an economic development zone pursuant to Article 18-B of the General Municipal Law (Source: <https://esd.ny.gov/empire-zones-program>)? Yes No

If yes, explain:

**Please attach narrative if space provided is not sufficient.

- G) Will the Project be in 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 (i) 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 (ii) an unemployment rate of at least 1.25 times the statewide unemployment rate for the year to which the data relates? (Source: United States Census Bureau <https://factfinder.census.gov/>)

Yes No

If yes, explain:

**Please attach narrative if space provided is not sufficient.



Empowering Businesses. Inspiring Growth.

FEE SCHEDULE

Application Fee:

\$5,000 non-refundable, due at application, broken down as follows:

IDA Administrative Fee: \$2,500

IDA Transaction Counsel Fee: \$2,500

Labor Policy Monitoring Fee (based on project cost):

This fee will be deposited into a non-interest bearing escrow account and will fund the ongoing audit of Labor Policy compliance throughout construction. Any unused funds on deposit with the IDA will be returned to the company upon project completion.

Projects less than \$5M:	\$5,000.00
Projects greater than \$5M but less than \$15M:	\$10,000.00
Projects greater than \$15M but less than \$25M:	\$20,000.00
Projects greater than \$25M but less than \$50M:	\$30,000.00
Projects greater than \$50M but less than \$100M:	\$45,000.00
Projects greater than \$100M but less than \$500M:	\$55,000.00
Projects greater than \$500M:	To be determined

Closing Fee:

IDA Fee

***Per OCIDA scoring criteria. See Attached.*

Manufacturing Sector

1% of the first \$2,000,000 of the project cost (as identified on page 12 of this application), plus .5% of amount above that, due at closing (total project cost includes land acquisition costs).*

Distribution/Warehouse Sector

1% of the project cost (as identified on page 12 of this application), due at closing (total project cost includes land acquisition costs).*

Retail Sector - Stores

485B: 2% of the first \$2,000,000 of the project cost (as identified on page 12 of this application), plus 1% of amount above that, due at closing (total project cost includes land acquisition costs).*

Retail Sector – Back Office/Medical

10 year PILOT: 1% of the project cost (as identified on page 12 of this application), due at closing (total project cost includes land acquisition costs).*

Hotel Sector (Per Scoring Criteria)

10 year PILOT: 1% of the project cost (as identified on page 12 of this application), due at closing (total project cost includes land acquisition costs).*

4 year PILOT: 1% of the project cost (as identified on page 12 of this application), due at closing (total project cost includes land acquisition costs).*

Tourism Sector

\$0-\$30M Capital Cost: 1% of the project cost (as identified on page 12 of this application), due at closing (total project cost includes land acquisition costs).*

\$30-\$100M Capital Cost: .75% of the project cost (as identified on page 12 of this application), due at closing (total project cost includes land acquisition costs).*

Over \$100M Capital Cost: .50% of the project cost (as identified on page 12 of this application), due at closing (total project cost includes land acquisition costs).*

“Special Projects”

TBD per project

IDA Transaction Counsel Fee:

One-third (1/3) of IDA fee (minimum of \$30,000 – to be reduced for smaller projects on case by case basis - plus out of pocket expenditures).

Local Labor Policy Monitoring:

The IDA will use a third-party firm or firms to monitor compliance with the Local Labor Policy (attached hereto). All costs incurred by the IDA in connection with such monitoring, should they exceed the amount collected at application, shall be the responsibility of the Company.

NOTE: IDA reserves the right to seek additional IDA and Transaction Counsel fees for exceptionally complex/large transactions.

Please make all Checks payable to:

Orange County Industrial Development Agency

Mail to:

*4 Crotty Lane
New Windsor, NY 12553*

*In the event that an applicant does not seek or does not qualify for an OCIDA PILOT or the equivalent of the State's 485-b program, the fee will be a straight one-half percent (0.5%) of the project cost.

The OCIDA Fee Schedule is the standard used when calculating all project fees. These fees are not open for negotiation. Please initial stating you understand and consent to the above SB

Closing Fee:

Please be advised should the Orange County IDA act to adopt the Final Resolution for your project a fee will be due at closing.

If at any time the project costs change prior to the Final Resolution, please inform management immediately for closing fee recalculation purposes.

Please initial stating you understand the foregoing, have provided accurate project costs, and consent to the estimated closing fee provided above SB



Empowering Businesses. Inspiring Growth.

PROJECT SCORING CRITERIA

To be completed/calculated by AGENCY

Project Name:

Score:

1. Strategic Vision (0 OR 5)*:

- a. Does the project fit into preferred industry categories (manufacturing, industrial, medical, office, tourism)?
- b. Capitalizes upon un-or-under-employed, available talent pool?

2. Ratable Value (Capital Expenditure) (0 – 5):

- a. Investment in property resulting in increased ratables in municipality.
- b. Utilizes brownfield or otherwise “undesirable” parcel
- c. Return non-taxable property tax rolls
- d. “Brownfield remediation” would receive a 5

3. Number of Jobs (1 – 5):

- a. NOT sliding scale; relative to industry

4. Quality of Jobs (0 – 5):

a. Defined as

0 = ANY jobs at minimum wage

1 = ALL jobs over \$15/hour

2 = 25% over \$25/hr plus benefits

3 = 50% over \$25/hr plus benefits

4 = 75% over \$25/hr plus benefits

5 = ALL jobs over \$25/hr plus benefits

5. Location (1 OR 5):

- a. 1 = In Orange County
- b. 5 = Designated growth zone, as identified by IDA (ex. Port Jervis, Highland Falls)

6. Desirability (0 – 5)*:

- a. Does the project have local political support?
 - i. Support letter from Supervisor/Mayor
- b. Is there favor, locally, for the project?
- c. Is the project remediating a brownfield or repurposing a zombie property?
- d. Is the parcel located in federally distressed area?
- e. Has project construction already begun?

TOTAL

** Speculative Buildings - identified as a project built with no end-user committed - results in an automatic 0 in these categories*

2-10 - Low/No PILOT

11-20 - Medium/Sector-based PILOT

21-30 - High/Qualifies for "Goliath" PILOT



Empowering Businesses. Inspiring Growth.

LABOR POLICY

Adopted 01-12-17

The Orange County Industrial Development Agency (IDA) was established for the purpose of creating employment opportunities for, and to promote the general prosperity and economic welfare of the residents of Orange County. The IDA offers economic incentives and benefits to qualified applicants who wish to locate or expand their businesses or facilities in Orange County. When the IDA approves a project, it enters into agreements to extend these incentives and benefits to the applicant.

Construction jobs, though limited in time duration, are vital to the overall employment opportunities and economic growth in Orange County. The IDA believes that companies benefiting from its incentive programs should employ local laborers, mechanics, craft persons, journey workers, equipment operators, truck drivers and apprentices (hereinafter “construction workers”), including those who have returned from military service, during the construction phase of projects. In this way, the IDA can generate significant benefits to advance the County’s general prosperity. It is, therefore, the policy of the IDA that firms benefiting from its programs shall employ workers from Orange County and the “local labor” market during all project phases, including the construction phase.

For the purpose of this policy, the “local labor” market for construction workers shall be defined as those individuals living in Orange, Ulster, Sullivan, Dutchess, Putnam, Rockland and Westchester Counties. Applicants receiving IDA benefits shall ensure the contractor/developer hire at least 85% from the “local labor” market for their approved projects. The 85% shall be by contractor and in total at the time of completion of the project. The contractor/developer is mandated to keep daily log sheets of all field workers, commencing on the date of application. Any work performed after application shall be included in the determination of overall compliance with the 85% hiring requirements of this policy. A third-party auditing firm will be engaged to monitor construction work commencing on the date benefits are granted by resolution of the IDA Board.

However, the IDA recognizes that the use of local labor may not be possible for the following reasons and the applicant may request an exemption on a particular contract or trade scope for the following reasons:

1. Warranty issues related to installation of specialized equipment whereby the manufacturer requires installation by only approved installers;
2. Specialized construction is required and no local contractors or local construction workers have the required skills, certifications or training to perform the work;
3. Cost Differentials:
 - a. For projects whose project cost exceeds \$15M, significant cost differentials in bid prices whereby the use of local labor and materials significantly increases the sub contract or contract of a particular trade or work scope by at least 20%. Every reasonable effort should be made by the applicant and or the applicant’s contractor to get below the 20% cost differential including, but not limited to, communicating and meeting with local construction

- trade organizations, such as the Hudson Valley Building and Construction Trades Council and other local Contractor Associations;
- b. For projects whose project cost is less than \$15M, significant cost differentials in bid prices whereby the use of local labor and materials significantly increases the sub contract or contract of a particular trade or work scope by 10% or more. Every reasonable effort should be made by the applicant and or the applicant's contractor to get below the 10% cost differential including, but not limited to, communicating and meeting with local construction trade organizations, such as the Hudson Valley Building and Construction Trades Council and other local Contractor Associations;
4. No labor is available for the project; and
 5. The contractor requires key or core persons such as supervisors, foreman or "construction workers" having special skills that are not available in the "local labor" market.

The request to secure an exemption for the use of non-local labor must be received from the applicant on the exemption form provided by the IDA or the 3rd party monitor and received in advance of work commencing. The request will be reviewed by the 3rd party monitor and forwarded to the IDA, at which time the IDA's Audit Committee shall have the authority to approve or disapprove the exemption. The 3rd party monitor shall report each authorized exemption to the Board of Directors at its monthly meeting.

In addition, applicants receiving IDA benefits and Contractors on the project shall make every reasonable effort to utilize vendors, material suppliers, subcontractors and professional services from Orange County and the surrounding counties. Applicants and contractors shall be required to keep records of those local vendors, material suppliers, contractors and professional services whom they have solicited and with whom they have contracted with or awarded. This shall be stored in a binder on site and shall be easily available for review by an authorized representative of the IDA, such as the IDA's 3rd party monitor. It shall include any documents for solicitation and contracts. It is the goal of the County of Orange and the IDA to promote the use of local veterans on projects receiving IDA benefits. By partnering with local contractors, local contractor groups, local trade unions and contractors awarded work on IDA projects, there are opportunities for veterans to gain both short- term and long-term careers in the construction industry.

Once approved for IDA benefits, all applicants will be required to provide to IDA staff the following information:

1. Contact information for the applicant's representative who will be responsible and accountable for providing information about the bidding and awarding of construction contracts relative to the applicant's project;
2. Description of the nature of construction jobs created by the project, including in as much detail as possible, the number, type and duration of construction positions;
3. The names, contact information, certificate of authorization to do business in the State of New York and copies of current Certificates of NYS Workers' Compensation Insurance, NYS Disability Insurance, General Liability Insurance and proof of current OSHA training certification from all contractors' employees performing work on the site; and
4. A Construction Completion Report listing the names and business locations of prime contractors, subcontractors and vendors who have been engaged in the construction phase of the project.

All Orange County IDA projects are subject to local monitoring by the IDA and any 3rd party monitor. The applicant and/or the Construction Manager or General Contractor acting as agent for the applicant on the project, shall keep a log book on site detailing the number of workers, hours worked and counties and states in which they reside. Proof of residency or copy of drivers' license shall be included in the log book, along with evidence of necessary OSHA certifications. Reports will be on forms provided by the IDA or weekly payroll reports which contain the same information as required on the IDA issued form. The applicant and contractors are subject to periodic inspection or monitoring by the IDA or 3rd party monitor.

The 3rd party monitor shall issue a report to the IDA staff immediately when an applicant or applicant's contractor is not in compliance with this labor policy. IDA staff shall advise the Audit Committee and/or IDA Board of non-compliance by email or at the next scheduled meeting. If a violation of policy has occurred, IDA staff shall notify the applicant and contractor in writing of non-compliance and give applicant a warning of violation and 72 hours in which to correct such violation. Upon evidence of continued non-compliance or additional violations, the IDA and/or its 3rd party monitor shall notify the applicant that the project is in violation of the Orange County IDA Labor Policy and is subject to IDA Board action which may result in the revocation, termination and/or recapture of any or all benefits conferred by the IDA.

The IDA will use a third party firm or firms to monitor and audit compliance with this local labor policy, the cost of which shall be paid for by the Company in advance of the audits and held in a non-interest bearing escrow account until audits are complete.

The applicant of an IDA approved project shall be required to maintain a 4' X 8' bulletin board on the project site containing the following information:

1. Contact information of the applicant;
2. Summary of the IDA benefits received;
3. Contractors names and contact information on IDA provided form;
4. Copies of proof of exemption from labor policy;
5. Copies of any warnings or violations of policy;
6. Copy of the Executed Labor Policy.

The bulletin board shall be located in an area that is accessible to onsite workers and visitors, which should be clear and legible at least 10 feet from said board.

The applicant has read the OCIDA Labor Policy and agrees to adhere to it without changes and shall require its construction manager, general contractor and sub-contractors who are not exempt to acknowledge the same. The Applicant understands and agrees that it is responsible for all third-party auditing and monitoring costs.

/s/ John Henderson
Applicant Signature
Citiva Medical, LLC
Company Name
John Henderson
Print Name of above signer
john.henderson@ianthus.com/ (617) 543-5603
Email/phone of Applicant
01/14/2022
Date

/s/ Jeff Greene
Signature of CM, GC or SC
Citiva Medical, LLC
Company Name
Jeff Greene
Print Name of above signer
jeff.greene@ianthus.com/ (646) 533-5453
Email/phone of CM/GC/SC
01/14/2022
Date



Empowering Businesses. Inspiring Growth.

APPLICATION FOR FINANCIAL ASSISTANCE

Walgreen Eastern Co., Inc.

(Applicant Name)

January 12, 2022

(Date of Application)

Orange County IDA
4 Crotty Lane, Suite 100
New Windsor, NY 12553
Phone: 845-234-4192 Fax: 845-220-2228
www.ocnyida.com
business@ocnyida.com

Updated August 25, 2021



Empowering Businesses. Inspiring Growth.

OCIDA Board

Michael Torelli
Chairman

John Douthit
Vice Chairman

Lesley Pierri
Secretary

Vincent Odock
Assistant Secretary

Paul Ruskiewicz
Board Member

Dean Tamburri
Board Member

OCIDA Staff

Bill Fioravanti
Agent Manager

Kelly Reilly
Project Manager

Harris Beach PLLC
IDA Bond Counsel



Empowering Businesses. Inspiring Growth.

MISSION STATEMENT

“The mission of the Orange County Industrial Development Agency is to **promote economic growth** through a program of incentives-based allocations that assist in the construction, equipping and maintenance of specific types of projects and facilities. The IDA works to advance the health, prosperity and economic welfare of our County’s citizens by **retaining and creating jobs and attracting new businesses.**”



Empowering Businesses. Inspiring Growth.

Index

The sections below make up the information and documents that must be completed and submitted to the OCIDA for a project application to be considered. Failure to provide the required information may cause a delay in the project being considered in a timely manner.

Section I.....Applicant Information: pg. 5
 **Financial Information: pg. 10**

Section II.....Project Information: pg. 11

Section III.....Financial Assistance Requested: pg. 16

Section IV.....Employment Plan: pg. 18

Section V.....Representations by the Applicant: pg. 21

Fill in all blanks, using “none” or “not applicable” or “N/A” where the question does not pertain to the applicant’s project.

Attachments Hold Harmless Agreement: pg. 24
 **Retail Questionnaire: pg. 27**
 **Fee Schedule: pg. 29**
 **Project Scoring Criteria: pg. 32**
 **Labor Policy: pg. 34**



Empowering Businesses. Inspiring Growth.

APPLICATION FOR FINANCIAL ASSISTANCE

I. APPLICANT INFORMATION

A) APPLICANT

Company Name: Walgreen Eastern Co., Inc.
Mailing Address: 300 Wilmot Road, MS#3301, Deerfield, IL 60015
Phone No.: 312-805-7867
Fax No.: 847-368-6518
Fed Id. No.: 36-1924026
Contact Person: Gregory Shirey
Title: Senior Manager Tax
Contact Phone No.: 312-805-7867
Contact Email: gregory.shirey@walgreens.com

IDA Management must be able to reach the Applicant's Contact throughout the duration of the Agreement. Should this information change at any time IDA Management should be notified Immediately. Please initial stating you understand and consent to the above _____

B) INDIVIDUAL COMPLETING APPLICATION

Name: Steven D. McClure
Company Name: Opportunity Alliance, LLC
Title: President
Address: P. O. Box 13112, Springfield, IL 62791
Phone No.: 217-553-1685 Fax No.: 847-696-7223
Email: ksm5@aol.com

C) **APPLICANT'S COUNSEL**

Name: _____ To Be Determined _____

Address: _____

Phone No.: _____

Fax No.: _____

Email: _____

IDA Management must be able to reach the Applicant's Counsel throughout the duration of the Agreement. Should this information change at any time IDA Management should be notified Immediately. Please initial stating you understand and consent to the above _____

D) **APPLICANT'S AUDIT CONTACT**

Name: _____ To Be Determined _____

Address: _____

Phone No.: _____

Fax No.: _____

Contact Email: _____

The IDA is legally required to submit an annual PARIS report to the state that requires information from each project. Applicant participation is **NOT OPTIONAL**. **ALL INFORMATION** must be submitted in a **COMPLETE** and **TIMELY** manner. Failure to comply with this request **WILL RESULT** in a **LOSS/RECAPTURE** of **ALL OR SOME** of your benefits. Please initial stating you understand and consent to the above _____

E) **APPLICANT'S GENERAL CONTRACTOR/CONSTRUCTION MANAGER**

Name/Contact: _____ To Be Determined _____

Address: _____

Phone No.: _____

Fax No.: _____

Email: _____

F) Principal Owners/Officers/Directors (list owners with 15% or more in equity holdings with percentage ownership):

Name	Office Held	% of Ownership	% of Voting Rights
Publicly Traded Company - please see public filings with the US SEC			

**Please attach chart if space provided is not sufficient.

G) Corporate Structure (*attach schematic if applicant is a subsidiary or otherwise affiliated with another entity*)

Form of Entity

Corporation

Date of Incorporation: 1921
 State of Incorporation: New York

Partnership

General n/a or Limited _____
 Number of general partners _____
 If applicable, number of limited partners _____
 Date of formation n/a
 Jurisdiction of Formation _____

Limited Liability Company/Partnership (number of members n/a)

Date of organization: n/a
 State of Organization: _____

Sole Proprietorship

H) If a foreign organization, is the applicant authorized to do business in the State of New York?

Yes or No

If no, please explain below:

n/a

**Please attach narrative if space provided is not sufficient.

I) If any of the above persons, or a group of them, owns more than a 50% interest in the company, list all other organizations which are related to the company by such persons having more than a 50% interest in such organizations.

Walgreen Eastern Co. Inc. (Walgreen Eastern) is a subsidiary of Walgreens Boots Alliance, Inc. which is publicly traded on NASDAQ under the symbol WBA.

**Please attach chart if space provided is not sufficient.

J) Is the company related to any other organization by reason of more than 50% common ownership? If so, indicate name of related organization and relationship.

Walgreen Eastern is a subsidiary of Walgreens Boots Alliance, Inc. which is publicly traded on NASDAQ under the symbol WBA.

**Please attach narrative if space provided is not sufficient.

K) Has the Applicant or any of its affiliated organizations ever received OCIDA benefits? Yes or No

If yes, please describe the assisted project below:

n/a

**Please attach narrative if space provided is not sufficient.

L) Legal Questions:

1. Is the Company presently the subject of any litigation, or is any litigation threatened, which would have a material adverse effect on the Company's financial condition?

Yes or No Walgreens is part of a publicly traded corporation. There are constant pending and threatened litigation issues. these issues are likely to have no material adverse effect on the Company' financial condition

2. Has the company or any of its affiliates ever been involved in bankruptcy, a creditor's rights or receivership proceeding, or sought protection from creditors?

Yes or No

3. Has the Company ever settled a debt with a lending institution for less than the full amount outstanding?

Yes or No

4. Has any senior manager or principal of the Company ever been convicted or any felony or misdemeanor, other than a minor traffic violation, or are any such charges pending?

Yes or No Walgreen is part of a publicly traded Corporation. All factors related to legal or regulatory issues are disclosed in required filings with the US Securities and Exchange Commission.

5. Has the Company or any of its affiliates, been cited for a violation of federal, State or local laws or regulations with respect to labor practices, hazardous wastes, environmental pollution or operating practices?

Yes or No

Walgreens is part of a publicly traded Corporation. All factors related to legal or regulatory issues are disclosed in required filings with the US Securities and Exchange Commission.

6. Are there any outstanding judgments or liens pending against the Company other than liens in the normal course of business?

Yes or No

Walgreens is part of a publicly traded Corporation. All factors related to legal or regulatory issues are disclosed in required filings with the US Securities and Exchange Commission.

7. Is the Company delinquent on any New York State, federal or local tax obligations?

Yes or No

If your answer is "YES" for any of the above questions, please provide an explanation:

Walgreens is part of a publicly traded Corporation. All factors related to legal or regulatory issues are disclosed in required filings with the US Securities and Exchange Commission.

**Please attach narrative if space provided is not sufficient.

M) Has the company (or any related corporation or person) made a public offering or private placement of its stock within the last year? Yes or No

If yes, please attach offering statement used.

N) Brief description of Company History (formation, growth, transitions, location):

Walgreen Eastern is part of Walgreen Co. that was established in 1901, and is part of a global Fortune 100 public company that specializes in health and wellness. The Company has grown from one location in the Midwest and now operates facilities in all 50 US States with over 9,000 US facilities. The Company recently acquired a Switzerland based company, formed a new holding group and now operates in over 25 countries with over 21,000 worldwide locations. They have over \$75 billion in assets and are part of the Dow Jones Industrial Average.

**Please attach narrative if space provided is not sufficient.

Estimated % of sales within the County:

<1%

Estimated % of sales outside the County but within NYS:

<6%

Estimated % of sales outside NYS but within the U.S.:

<91%

Estimated % of sales outside the U.S.:

~2%

P) Sales and income projection or a project pro forma for proposed project for the next 3 to 5 years.

The Project is an efficiency based improvement in the Company's product delivery system. There are no income producing elements that are associated with the proposed project. The Project will support more efficient delivery of an increased volume of prescription drugs throughout New York and the broader region.

**Please attach chart if space provided is not sufficient

O) Is the applicant (Company) party in compliance with local, state, and federal taxes, workers' protection, and environmental laws? Yes or No

If no, please describe below:

n/a

**Please attach narrative if space provided is not sufficient

FINANCIAL INFORMATION OF THE COMPANY

- A. For existing businesses:** Please see Attachment A - Financial Information
- The Applicant must submit three (3) years of accountant prepared financial statements.
 - The Applicant must submit a current Certificate of Good Standing from the Department of State for the business. Please see Attachment B - Certificate of Good Standing
- B. For new businesses:**
- The Applicant must submit three (3) years of personal tax returns for the owner(s).
 - The Applicant must submit three (3) years of tax returns for the related businesses as well as Certificates of Good Standing from the Department of State.

The requested Financial Information of the Company is to be kept confidential and is not subject to the Freedom of Information Law (FOIL).

II. PROJECT INFORMATION

A) Project Address: Route 300, Newburgh, NY 12550

Tax Map Number PIN 60-3-49.22+
(Section/Block/Lot)

Located in City of n/a

Located in Town of Newburgh

Located in Village of n/a

School District of Newburgh

B) Are utilities on site?

Water Yes Electric Yes
Gas Yes Sanitary/Storm Sewer Yes

C) Present legal owner of the site Matrix Development Group
If other than from applicant, by what means will the site be acquired for this project?
Walgreens will lease space from Matrix Development Group

D) Zoning of Project Site: Current: Comm-1 Proposed: n/a

E) Are any variances needed? not at this time

F) Furnish a copy of any environmental application presently in process of completion concerning this project, providing name and address of the agency, and copy all pending or completed documentation and determinations. No environmental assessment is required for the installation of equipment

G) Attach copies of preliminary plans or sketches of proposed construction or rehabilitation or both.

The project is the placement of equipment into service and does not include building construction.

H) Statement describing project (i.e. land acquisition, construction of manufacturing facility, etc.):

Walgreen Eastern is planning to establish a Nucleus Micro-Fulfillment Facility, which is a medicine and drug mini-warehouse. Walgreen Eastern is planning to execute a master lease with Matrix Development Group who is constructing a 215,200 square foot facility on Route 300, Newburgh, NY. Walgreen Eastern plans to use approximately 105,000 square feet to install \$24,000,000 of highly automated medicine distribution equipment. The project will create 200 new full-time permanent jobs.

**Please attach narrative if space provided is not sufficient.

I) Statement describing the impact of incentives on this project, should they be granted:

Walgreen Eastern is evaluating the overall costs associated with locating the facility to serve end users within a multi-state geographical region. The Company has site location options in the State of New York and the State of Connecticut. Local and State assistance from New York will help level the playing field and help balance other lower cost options at alternative facilities outside of New York.

**Please attach narrative if space provided is not sufficient.

grants and tax credits)

\$ _____

Identify each state and federal grant/credit:

<u>Sales Tax Exemption on Equipment</u>	\$ <u>1,950,000</u>
_____	\$ _____
_____	\$ _____
_____	\$ _____
Total Sources of Funds for Project Costs:	\$ <u>24,000,000</u>

O) Inter-Municipal Move Determination

Will the project result in the removal of a plant or facility of the applicant from one area of the State of New York to another?

Yes or No

Will the project result in the removal of a plant or facility of another proposed occupant of the project from one area of the State of New York to another area of the State of New York?

Yes or No

Will the project result in the abandonment of one or more plants or facilities located in the State of New York?

Yes or No

If Yes to any of the questions above, explain how, notwithstanding the aforementioned closing or activity reduction, the Agency's Financial Assistance is required to prevent the Project from relocating out of the State, or is reasonably necessary to preserve the Project occupant's competitive position in its respective industry:

n/a

Project Data

1. Project site (land)

(a) Indicate approximate size (in acres or square feet) of project site.

approximately 105,000 square feet

(b) Are there buildings now on the project site? Yes No

(c) Indicate the present use of the project site.

vacant

(d) Indicate relationship to present user of project.

Lessor

2. Does the project involve acquisition of an existing building or buildings?
If yes, indicate number, size and approximate age of buildings:

n/a

3. Does the project consist of the construction of a new building or buildings?
If yes, indicate number and size of new buildings:

n/a

4. Does the project consist of additions and/or renovations to existing buildings?
If yes, indicate nature of expansion and/or renovation:

n/a

5. Estimated Start Date of Construction: n/a

6. Estimated End Date of Construction: n/a

7. What will the building or buildings to be acquired, constructed or expanded be used for by the company?
(Include description of products to be manufactured, assembled or processed, and services to be rendered. . .

Walgreen Eastern plans to install equipment in leased space that will process product for shipment to end users.

. . . *including* the percentage of building(s) to be used for office space and an estimate of the percentage of the functions to be performed at such office not related to the day-to-day operations of the facilities being financed.)

unknown at this time

8. If any space in the project is to be leased to third parties, indicate total square footage of the project amount to be leased to each tenant and proposed use by each tenant.

It is anticipated that Walgreen Eastern will sublet approximately 110,000 sqft to tenants that are yet to be identified

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

server package, robotic system, filling workstations, verification workstations, packing workstations, sortation workstations, vial supply and cap delivery systems, conveyor totes, RXcollect, sweeper sorter

10. Has construction work on this project begun? Yes or No

Complete the following

(a) site clearance	<input type="checkbox"/> Yes	<input type="checkbox"/> No	_____ % complete
(b) foundation	<input type="checkbox"/> Yes	<input type="checkbox"/> No	_____ % complete
(c) footings	<input type="checkbox"/> Yes	<input type="checkbox"/> No	_____ % complete
(d) steel	<input type="checkbox"/> Yes	<input type="checkbox"/> No	_____ % complete
(e) masonry work	<input type="checkbox"/> Yes	<input type="checkbox"/> No	_____ % complete
(f) other (describe below)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	_____ % complete

III. FINANCIAL ASSISTANCE REQUESTED

A) Benefits Requested:

- Sales Tax Exemption Tax-Exempt/ Taxable Revenue Bond
 Mortgage Recording Tax Exemption Real Property Tax Agreement

B.) Value of Incentives:

IDA PILOT Benefit: Agency staff will indicate the amount of PILOT Benefit based on estimated Project Costs as contained herein and anticipated tax rates and assessed valuation, including the annual PILOT Benefit abatement amount for each year of the PILOT benefit year and the sum total of PILOT Benefit abatement amount for the term of the PILOT as depicted under the heading "Real Property Tax Benefit (Detailed)" of the Application.

Sales and Use Tax:

Estimated value of Sales Tax exemption for facility construction:
\$ 24,000,000 X .08125 = \$ 1,950,000

(Amount of Project Cost Subject to Tax X Sales Tax Rate = Total)

Estimated Sales Tax exemption for fixtures and equipment:
\$ _____ X .08125 = \$ n/a

(Amount of Project Cost Subject to Tax X Sales Tax Rate = Total)

Estimated duration of Sales Tax exemption: 18 months

***Should coincide with construction timeline.*

Mortgage Recording Tax Exemption Benefit:

Estimated value of Mortgage: \$ n/a

Estimated value of Mortgage Recording Tax exemption:

\$ _____ X .0075 = \$ _____

(Projected Amount of Mortgage X Mortgage Recording Tax = Total)

Tax-Exempt/ Taxable Revenue Bond Benefit:

Amount of Bonds, if requested: \$ n/a

Is a purchaser for the Bonds in place?

Yes or No n/a

Percentage of Project Costs financed from Public Sector sources:

Agency staff will calculate the percentage of Project Costs financed from Public Sector sources based upon Sources of Funds for Project Costs as depicted above under the heading "Estimated Project Costs" (Section II(I)) of the Application.

C.) Likelihood of Undertaking Project without Receiving Financial Assistance

Please confirm by checking the box below, will this project move forward without the requested incentives?

Yes or No

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

Walgreen Eastern is evaluating whether to install equipment in a facility in the State of New York. The Company has options to install the equipment at a location in a different State. Other locations do not require the Company to lease 215,000, but only use 105,000 square feet and seek a sub-tenant to fill the remaining space. Local incentives are needed in order level the playing field and help lower cost compared to alternative facilities outside of New York. If local assistance is unavailable, the Company can not commit to installing the equipment in New York and must consider installation at an alternative site outside of the State of New York.

IV. EMPLOYMENT PLAN

A) Current Employee Headcount:

	Current # of jobs at proposed project location or to be relocated to project location	IF FINANCIAL ASSISTANCE IS GRANTED – project the number of FTE and PTE jobs to be RETAINED	IF FINANCIAL ASSISTANCE IS GRANTED – project the number of FTE and PTE jobs to be CREATED upon THREE Years after Project completion	Estimate number of residents of the Labor Market Area in which the Project is located that will fill the FTE and PTE jobs to be created upon THREE Years after Project Completion **
Full time (FTE)	-0-	200 full-time total	200 full-time total	200 full-time total
Part Time (PTE)	-0-	-0-	-0-	-0-
Total	-0-	200 full-time total	200 full-time total	200 full-time total

Full-time Employee Definition: (i) a full-time, permanent, private-sector employee on the Company's payroll, who has worked at the Project Location for a minimum of 35 hours per week for more than six months of a year and who is entitled to receive the usual and customary fringe benefits extended by Recipient to other employees with comparable rank and duties; or (ii) two part-time, permanent, private sector employees on Recipient's payroll, who have worked at the Project Location for a combined minimum of 35 hours per week for more than six months of a year and who are entitled to receive the usual and customary fringe benefits extended by Recipient to other employees with comparable rank and duties.

**For the purposes of this question, please estimate the number of FTE and PTE jobs that will be filled, as indicated in the third column, by residents of the Labor Market Area, in the fourth column. The Labor Market Area includes Orange County and the surrounding region (or six other contiguous counties, including Orange County, chosen at the Agency's discretion).

B) Salary and Fringe Benefits for Jobs to be Created:

Category of Jobs to be Created	Number of Jobs Year 1	Number of Jobs Year 2	Number of Jobs Year 3	Average Salary or Salary Range	Average Fringe Benefit or Range of Fringe Benefits
Management	2	-	-	140,500	44,960
Professional	6	6	-	130,000	32,960
Administrative	9	9	-	65,280	20,890
Sales	-	-	-		
Production/ Manufacturing	90	68	-	31,200	9,984
Independent Contractor	-	-	-		
Other (specify IT, Maint Acy)	6	4	-	58,545	18,734

If there is a salary range larger than \$20,000 in a category above please provide additional breakdown information below:

Category	YR1	YR2	Total	Annual Wage	Average Fringe
Management - General Manager	1	-	1	\$164,000	\$52,480
Management - HR Manager	1	-	1	\$117,000	\$37,440
Professional - Pharmacist	6	6	12	\$103,000	\$32,960
Administrative - Lab Tech	3	3	6	\$47,840	\$15,309
Administrative -Supervisor	6	6	12	\$74,000	\$23,680
Production - Pharmacy Tech	20	18	38	\$31,200	\$9,984
Production - Assistant Tech	70	50	120	\$31,200	\$9,984
Other - IT Technician	1	-	1	\$62,400	\$19,968
Other - Maintenance Tech	3	3	6	\$62,400	\$19,968
Other - Accounting	2	1	3	\$49,550	\$15,856

**Please attach breakdown if space provided is not sufficient.

C) Salary and Fringe Benefits for Jobs to be Retained:

Category of Jobs to be Retained	Current Number of Jobs	Average Salary or Salary Range	Average Fringe Benefit or Range of Fringe Benefits
Management	n/a		
Professional			
Administrative			
Sales			
Production/ Manufacturing			
Independent Contractor			
Other (specify)			

If there is a salary range larger than \$20,000 in a category above please provide additional breakdown information below:

n/a

**Please attach breakdown if space provided is not sufficient.

D) Please attach a projected hiring plan if conducted on a monthly time frame and not conducted on an annual basis as broken down in the charts above. Please see Attachment C - Monthly Hiring Plan

E) Describe the benefits or benefits package offered to employees:

Health = 16.0% Life = 2.0% Dental = 6.0% Retirement = 4.0% Other = 4.0% Total = 32.0%
--

**Please attach narrative if space provided is not sufficient.

F) Describe internal training and advancement opportunities offered to employees:

The Company plans to recruit new employees with internal recruiting personnel, recruiting agencies, Internet recruiting sites, job fairs. Each new employee with an employee handbook and equipment training materials. The Company plans to provide each new employee mentored operational training, technical in-house training in technical operations, safety, quality skills and vendor-supplied (external) training in technical, safety and quality skills.
--

**Please attach narrative if space provided is not sufficient.

V. REPRESENTATIONS BY THE APPLICANT

The Applicant understands and agrees with the Agency as follows:

- A. Job Listings In accordance with Section 858-b(2) of the New York General Municipal Law, the applicant understands and agrees that, if the proposed project receives any Financial Assistance from the Agency, except as otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the proposed project must be listed with the New York State Department of Labor Community Services Division (the "DOL") and with the administrative entity (collectively with the DOL, the "JTPA Entitle") of the service delivery area created by the federal job training partnership act (PublicLaw 97-300) ("JPTA") in which the project is located.
- B. First Consideration for Employment In accordance with Section 858-b(2) of the General Municipal Law, the applicant understands and agrees that, if the proposed project receives any Financial Assistance from the Agency, except as otherwise provided by collective bargaining agreements, where practicable, the applicant must first consider persons eligible to participate in JTPA programs who shall be referred by the JPTA Entities for new employment opportunities created as a result of the proposed project.
- C. A liability and contract liability policy for a minimum of three million dollars will be furnished by the Applicant insuring the Agency.
- D. Annual Sales Tax Fillings In accordance with Section 874(8) of the General Municipal Law, the Applicant understands and agrees that, if the proposed 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.
- E. Annual Employment Reports: The applicant understands and agrees that, if the proposed 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. The applicant will receive a request for information in the fourth quarter of each year that Financial Assistance is utilized and agrees to return the information by the end of January the following year.
- F. Compliance with N.Y. GML Sec. 862(1): 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.
- G. Compliance with Applicable Laws: 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.
- H. False and Misleading Information: 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.

- I. Recapture: Should the Applicant not expend, hire as presented, or violates Sales Tax Exemption regulations, the Agency may view such information/status as failing to meet the established standards of economic performance. In such events, some or all of the benefits taken by the Applicant will be subject to recapture.
- J. Rescission of Benefits Conferred: Applicant understands and agrees that in the event that (a) the Applicant does not proceed to final Agency approval within six (6) months of the date the Agency adopts its initial approval resolution and/or (b) close with the Agency on the requested financial assistance within twelve (12) months of the date the Agency adopts its initial resolution, the Agency reserves its right to rescind and cancel all prior approvals. In the event the Agency rescinds its approvals and the Applicant re-applies to the Agency, the Applicant understands and agrees that its re-application will be subject to any and all changes in law, Agency policies or fees imposed by the Agency that are in effect as of the date of re-application.
- K. Absence of Conflicts of Interest: The applicant has received from the Agency a list of the members, officers, and employees of the Agency. No member, officers or employee of the Agency has an interest, whether direct or indirect, in any transaction contemplated by this Application, except as hereinafter described:
- L. Freedom of Information Law (FOIL): The applicant acknowledges that the OCIDA is subject to New York State's Freedom of Information Law (FOIL). Applicants understand that all project information and records related to this application are potentially subject to disclosure under FOIL subject to limited statutory exclusions.

The Applicant and the individual executing this Application on behalf of applicant acknowledge that the Agency and its counsel will rely on the representations made in this Application when acting hereon and hereby represents 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~~ Illinois)
COUNTY OF ~~ORANGE~~ Lake) ss.:

John Saylor , being first duly sworn, deposes and says:

1. That I am the Vice-President of Walgreen Eastern, Co., Inc. 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.

John Saylor
John Saylor, Vice-President

Subscribed and affirmed to me under penalties of perjury
this 14th day of January, 2022

Bryan Andrew Schwab
(Notary Public)



This Application should be submitted to:

Orange County Industrial Development Agency
c/o Michael Torelli, Chairman
Orange County Business Accelerator
4 Crotty Lane, Suite 100
New Windsor, NY 12553.

The Agency will collect an administrative fee at the time of closing.

SEE ATTACHED FEE SCHEDULE

Transaction Counsel
RUSSELL GAENZLE, ESQ.
Harris Beach PLLC
99 Garnsey Road
Pittsford, New York 14534
Tel: (585) 419-8633
Fax: (585) 419-8817



Empowering Businesses. Inspiring Growth.

HOLD HARMLESS AGREEMENT

Applicant hereby releases the ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY and the members, officers, servants, agents and employees thereof (the "Agency") 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 processing of the Application, including attorneys' fees, if any.

(Applicant Signature)
By: John Saylor
Name: John Saylor
Title: Vice-President

Bryan Andrew Schwab
(Notary Public)

Sworn to before me this 14th day
of January, 20 22

[stamp]



SUPPLEMENT TO OCIDA APPLICATION

I. 1. In accordance with N.Y. GML Sec. 862(1):

Will the Project primarily consist of retail facilities as defined in Section 862(2)(a) of the GML?

Yes No

If yes, will the cost of these facilities exceed one-third of the total Project cost?

Yes No

2. Is the project located in a distressed Census Tract?

Yes No

3. Is the Project site designated as an Empire Zone?

Yes No

4. Will any other companies or related facilities within the state close or be subjected to reduced activity as a result of this Project? If so please list the town and county of the location(s):

Yes No

5. Will the completion of the Project result in the removal of a plant or facility of the Applicant from one area of the State New York to another area of the State of New York?

Yes No

6. Will the completion of the Project result in the abandonment of one or more plants or facilities of the Applicant located in the State of New York?

Yes No

i. If any answer to questions 1, 2 or 3 above is yes, is the Project reasonably necessary to discourage the Applicant from removing such other plant or facility to a location outside the State of New York?

Yes No

ii. If any answer to questions 1, 2 or 3 above is yes, is the Project reasonably necessary to preserve the competitive position of the Applicant in its respective industry? Yes

No

II. 1. State the sources reasonably anticipated for the acquisition, construction, and/or renovation of the Project:

Amount of capital the Applicant has invested to date:	-0-
Amount of capital Applicant intends to invest in the Project through completion:	\$24,000,000
Total amount of public sector source funds allocated/awarded to the Project:	\$1,950,000 Requested
Amount of the Project to be financed from private sector sources:	\$22,050,000
Total Project Sources* *This \$ should match the total Project Costs above.	\$24,000,000

2. Public Sector Sources:

Identify each public sector source of funding:	Amount of Public Sector Funding*
Sales Tax Exemption Equipment	\$1,950,000

*The total amount of public sector funding should equal the public sector amount listed in (II)(1) above.

III. Financial Assistance sought (estimated values):

Applicants requesting exemptions and/or abatements from OCIDA must provide the estimated value of the savings they anticipate receiving. New York State regulations require OCIDA to recapture any benefit that exceeds the amount listed in this application.

1. Is the Applicant expecting that the financing of the Project will be secured by one or more mortgages: Yes No

If yes, list amount requested and name of lender:

2. Is the Applicant expecting to be appointed agent of the Agency for purposes of abating payments of NYS Sales and Use Tax? Yes No

If yes, what is the TOTAL amount of purchases subject to exemption based on taxable Project costs?

3. Is the Applicant requesting a payment in lieu of tax agreement (PILOT) for the purpose of a real property tax abatement? Yes No

If yes, identify from the Agency's UTEP the category of PILOT requested:

4. Is the Applicant requesting any real property tax abatement that is **inconsistent** with the Agency's UTEP? Yes No

If yes, please contact the Executive Director prior to submission of this Application.










C. Amount of Exemption/Abatement Requested:

<input type="checkbox"/>	Real Property Tax Abatement (PILOT)	
<input type="checkbox"/>	Mortgage Recording Tax Exemption**	
<input checked="" type="checkbox"/>	Sales and Use Tax Exemption (\$4% Local, 4.125% State of total amount listed above in III(2))	\$1,950,000
<input type="checkbox"/>	Tax Exempt Bond Financing (Amount Requested)	
<input type="checkbox"/>	Taxable Bond Financing (Amount Requested)	

**To calculate the value of this exemption take 1.05% of the mortgage amount from III(1) above to get the "mortgage recording tax" and then multiply the mortgage recording tax figure by 70%. You will receive an exemption equal to 70% of the mortgage recording tax.

PRESENTATIONS & AFFIRMATIONS BY THE APPLICANT

I hereby represent and warrant that I am the Vice-President of Walgreen Eastern Co., Inc. and make the following representations and/or warranties and understand and agrees with the Orange County Industrial Development Agency (the "Agency" or "OCIDA") as follows:

- A. Jobs 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 "DOL") and with the administrative entity of the service delivery area created by the Workforce Investment Act ("WIA") in which the Project is located. initial 
- B. First Consideration for Employment:** In accordance with §858-b (2) of the New York General Municipal Law, the Applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, except as otherwise provided by collective bargaining agreements, where practicable, the Applicant will first consider persons eligible to participate in WIA programs who shall be referred by the WIA for new employment opportunities created as a result of the Project. initial 
- C. Other NYS Facilities:** In accordance with §862 (1) of the New York General Municipal Law, the Applicant understands and agrees that projects which will 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 within the state is ineligible for Agency Financial Assistance, unless otherwise approved by the Agency as reasonably necessary to preserve the competitive position of the Project in its respective industry. initial 
- D. Annual Sales Tax Filings:** In accordance with §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, 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. initial 
- E. Annual Employment Reports and Outstanding Bonds:** 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 FTE at this Project site. The Applicant also understands and agrees to provide on an annual basis any information regarding bonds, if any, issued by the Agency for the Project that is requested by the Comptroller of the State of New York. initial 
- F. Absence of Conflicts of Interest:** The Applicant has received from the Agency a list of the 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 hereinafter described in Appendix B. initial 
- G. Compliance:** The Applicant understands and agrees that it is in substantial compliance with applicable local, state, and federal tax, worker protection, and environmental laws, rules, and regulations. initial 
- H. False or Misleading Information:** The Applicant understands and agrees that the submission of knowingly false or knowingly **misleading** information in this Application may lead to the immediate termination of any financial assistance and the reimbursement of an amount equal to all or part of any tax exemptions claimed by reason of Agency involvement in the Project. initial 
- I. GML Compliance:** The Applicant certifies that, as of the date of the Application, the proposed project is in substantial compliance with all provisions of NYS General Municipal Law Article 18-A, including but not limited to Sections 859-a and 862(1). initial 

J. **OCIDA's Policies:** The Applicant is familiar with all of OCIDA's policies posted on its website [https://www.ocnyida.com] and agrees to comply with all applicable policies.

initial 

K. **Disclosure:** Article 6 of the Public Officers Law declares that all records in the possession of the OCIDA (with certain limited exceptions) are open to public inspection and copying. If the Applicant feels that there are elements of the Project which are in the nature of trade secrets which, if disclosed to the public or otherwise widely disseminated, would cause substantial injury to the Applicant's competitive position, the Applicant must identify such elements in writing and request that such elements be kept confidential. In accordance with Article 6 of the Public Officers Law, if requested, OCIDA may also redact personal, private, and/or proprietary information from publicly disseminated documents. The Applicant understands that the Applicant must identify in writing to OCIDA any information it deems proprietary or personal and seeks to have redacted and the rationale therefore.

initial 

L. **Reliance:** THE APPLICANT ACKNOWLEDGES THAT ALL ESTIMATES OF PROJECTED FINANCIAL IMPACTS, VALUE OF FINANCIAL ASSISTANCE REQUESTED, AND OTHER INFORMATION CONTAINED IN THIS APPLICATION WILL BE RELIED UPON BY OCIDA AND ANY CHANGES IN SUCH INFORMATION MUST BE MADE IN WRITING AND MAY IMPACT THE GRANT OF FINANCIAL ASSISTANCE TO THE PROJECT.

initial 

I am a person authorized to bind the company/applicant, and have read the foregoing and agree to comply with all the terms and conditions contained therein as well as the policies of the Orange County Industrial Development Agency.

Name of Applicant Company

Walgreen Eastern Co., Inc.

Signature of Officer or Authorized Representative

John Saylor

Name & Title of Officer or Authorized Representative

John Saylor, Vice-President

Date

1/14/2022

VI. HOLD HARMLESS AGREEMENT

Applicant hereby releases the Orange County Industrial Development Agency and the members, officers, servants, agents and employees thereof (collectively the "Agency") 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 cause of action and attorney's fees and any other expenses incurred in defending any suits or action 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, or the inability of the Applicant, for any reason, to proceed with 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 or in connection with the Application, including attorney's fees, if any.

Name of Applicant Company

Walgreen Eastern Co., Inc.

Signature of CEO or a person authorized to bind the company/applicant

John Saylor

Name & Title of Officer or Authorized Representative

John Saylor, Vice-President

Date

1/14/2022

ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY APPLICATION
APPENDIX A
CONFLICT OF INTEREST STATEMENT

Agency Board Members

1. Mike Torelli
2. Vincent Odock
3. Paul Ruskiewicz
4. Dean Tamburri

Agency Officers/Staff

1. Bill Fioravanti
2. Kelly Reilly

Agency Legal Counsel

1. Bousquet Holstein, PLLC
2. Harris Beach, PLLC

The Applicant has received from the Agency a list of members, officers and staff of the Agency. To the best of my knowledge, no member, officer or employee of the Agency has an interest, whether direct or indirect, in any transaction contemplated by this Application, except as hereinafter described:

Signature:

John Saylor

Authorized Representative:

John Saylor

Title:

Vice-President

Date:

1/14/2022

ORANGE COUNTY INDUSTRIAL DEVELOPMENT

AGENCY APPLICATION

VERIFICATION

STATE OF Illinois)
) SS.:
COUNTY OF Lake)

John Saylor, deposes and says that s/he is the
(Name of Individual)
Vice-President of Walgreen Eastern, Co., Inc.
(Title) (Applicant Name)

that s/he is a person authorized to bind the company/applicant, and has personally completed and read the foregoing Application, which includes and incorporates the Supplement and all attachments and exhibits, and knows the contents thereof and that the same is true, accurate, and complete to the best of her/his knowledge, as subscribed and affirmed under the penalties of perjury. The grounds of deponent's beliefs relative to all matters in the said Application which are not stated upon her/his own personal knowledge are investigations which the deponent has caused to be made concerning the subject matter of the Application as well as, if applicable, information acquired by deponent in the course of her/his duties/responsibilities for the Applicant and from the books and papers of the Applicant. The deponent also acknowledges the receipt of the schedules attached to the Application, including but not limited to the Agency's fee schedule and assumes responsibility for payment of any and all applicable fees as described therein. Deponent further acknowledges review and understanding of the Agency's published policies, including but not limited to the Agency's Recapture Policy, and agrees on behalf of the Applicant to be bound by and comply with, all such policies.

John Saylor
Applicant Representative's Signature

John Saylor, Vice- President
Title

Subscribed and sworn to before me this
14th day of January, 20 22.

Bryan Andrew Schwab
Notary Public





Empowering Businesses. Inspiring Growth.

To be completed/calculated by AGENCY

Real Property Tax Benefits (Detailed):

** This section of this Application will be: (i) completed by IDA Staff based upon information contained within the Application, and (ii) provided to the Applicant for ultimate inclusion as part of this completed Application.

PILOT Estimate Table Worksheet

Dollar Value of New Construction and Renovation Costs	Estimated New Assessed Value of Property Subject to IDA*	County Tax Rate/1000	Local Tax Rate (Town/City/Village)/1000	School Tax Rate/1000

*Apply equalization rate to value

PILOT Year	% Payment	County PILOT Amount	Local PILOT Amount	School PILOT Amount	Total PILOT	Full Tax Payment w/o PILOT	Net Exemption
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
TOTAL							

*Estimates provided are based on current property tax rates and assessment values

Cost Benefit Analysis:

To be completed/calculated by AGENCY

	<u>Costs =</u> <u>Financial Assistance</u>	<u>Benefits =</u> <u>Economic Development</u>
*Estimated Sales Tax Exemption	\$ _____	New Jobs Created Permanent _____ Temporary _____
		Existing Jobs Retained Permanent _____ Temporary _____
Estimated Mortgage Tax Exemption	\$ _____	Expected Yearly Payroll \$ _____
Estimated Property Tax Abatement	\$ _____	Expected Gross Receipts \$ _____
		Additional Revenues to School Districts _____ _____ _____
		Additional Revenues to Municipalities _____ _____ _____
		Other Benefits _____
Estimated Interest Savings IRB Issue	\$ _____	Private Funds invested \$ _____
		Likelihood of accomplishing proposed project within three (3) years <input type="checkbox"/> Likely or <input type="checkbox"/> Unlikely

* Estimated Value of Goods and Services to be exempt from sales and use tax as a result of the Agency's involvement in the Project. PLEASE NOTE: These amounts will be verified and there is a potential for a recapture of sales tax exemptions (see "Recapture" on page 10).

\$ _____ (to be used on the NYS ST-60)



Empowering Businesses. Inspiring Growth.

Fill out when instructed by Agency

RETAIL QUESTIONNAIRE

To ensure compliance with Section 862 of the New York General Municipal Law, the Agency requires additional information if the proposed Project is one where customers personally visit the Project site to undertake either a retail sale transaction or purchase services.

- A) Will any portion of the Project consist of facilities or property that will be primarily used in making sales of goods or services to customers who personally visit the Project site? Yes No

- B) What percentage of the cost of the Project will be expended on such facilities or property primarily used in making sales of goods or services to customers who personally visit the Project? _____ %

- C) Is the Project location or facility likely to attract a significant number of visitors from outside the Mid-Hudson Economic Development Region (i.e.: Orange, Dutchess, Putnam, Rockland, Sullivan, Ulster, and Westchester counties)? Yes No

- D) Will the Project make available goods or services which are not currently reasonably accessible to the residents of the municipality within which the proposed Project would be located? Yes No

- E) 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

If yes, explain:

**Please attach narrative if space provided is not sufficient.

- F) Will the Project be located in an area designated as an economic development zone pursuant to Article 18-B of the General Municipal Law (Source: <https://esd.ny.gov/empire-zones-program>)? Yes No

If yes, explain:

**Please attach narrative if space provided is not sufficient.

- G) Will the Project be in 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 (i) 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 (ii) an unemployment rate of at least 1.25 times the statewide unemployment rate for the year to which the data relates? (Source: United States Census Bureau <https://factfinder.census.gov/>)

Yes No

If yes, explain:

**Please attach narrative if space provided is not sufficient.



Empowering Businesses. Inspiring Growth.

FEE SCHEDULE

Application Fee:

\$5,000 non-refundable, due at application, broken down as follows:

IDA Administrative Fee: \$2,500

IDA Transaction Counsel Fee: \$2,500

Labor Policy Monitoring Fee (based on project cost):

This fee will be deposited into a non-interest bearing escrow account and will fund the ongoing audit of Labor Policy compliance throughout construction. Any unused funds on deposit with the IDA will be returned to the company upon project completion.

Projects less than \$5M:	\$5,000.00
Projects greater than \$5M but less than \$15M:	\$10,000.00
Projects greater than \$15M but less than \$25M:	\$20,000.00
Projects greater than \$25M but less than \$50M:	\$30,000.00
Projects greater than \$50M but less than \$100M:	\$45,000.00
Projects greater than \$100M but less than \$500M:	\$55,000.00
Projects greater than \$500M:	To be determined

Closing Fee:

IDA Fee

***Per OCIDA scoring criteria. See Attached.*

Manufacturing Sector

1% of the first \$2,000,000 of the project cost (as identified on page 12 of this application), plus .5% of amount above that, due at closing (total project cost includes land acquisition costs).*

Distribution/Warehouse Sector

1% of the project cost (as identified on page 12 of this application), due at closing (total project cost includes land acquisition costs).*

Retail Sector - Stores

485B: 2% of the first \$2,000,000 of the project cost (as identified on page 12 of this application), plus 1% of amount above that, due at closing (total project cost includes land acquisition costs).*

Retail Sector – Back Office/Medical

10 year PILOT: 1% of the project cost (as identified on page 12 of this application), due at closing (total project cost includes land acquisition costs).*

Hotel Sector (Per Scoring Criteria)

10 year PILOT: 1% of the project cost (as identified on page 12 of this application), due at closing (total project cost includes land acquisition costs).*

4 year PILOT: 1% of the project cost (as identified on page 12 of this application), due at closing (total project cost includes land acquisition costs).*

Tourism Sector

\$0-\$30M Capital Cost: 1% of the project cost (as identified on page 12 of this application), due at closing (total project cost includes land acquisition costs).*

\$30-\$100M Capital Cost: .75% of the project cost (as identified on page 12 of this application), due at closing (total project cost includes land acquisition costs).*

Over \$100M Capital Cost: .50% of the project cost (as identified on page 12 of this application), due at closing (total project cost includes land acquisition costs).*

“Special Projects”

TBD per project

IDA Transaction Counsel Fee:

One-third (1/3) of IDA fee (minimum of \$30,000 – to be reduced for smaller projects on case by case basis - plus out of pocket expenditures).

Local Labor Policy Monitoring:

The IDA will use a third-party firm or firms to monitor compliance with the Local Labor Policy (attached hereto). All costs incurred by the IDA in connection with such monitoring, should they exceed the amount collected at application, shall be the responsibility of the Company.

NOTE: IDA reserves the right to seek additional IDA and Transaction Counsel fees for exceptionally complex/large transactions.

Please make all Checks payable to:

Orange County Industrial Development Agency

Mail to:
4 Crotty Lane
New Windsor, NY 12553

*In the event that an applicant does not seek or does not qualify for an OCIDA PILOT or the equivalent of the State's 485-b program, the fee will be a straight one-half percent (0.5%) of the project cost.

The OCIDA Fee Schedule is the standard used when calculating all project fees. These fees are not open for negotiation. Please initial stating you understand and consent to the above *LS*

Closing Fee:

Please be advised should the Orange County IDA act to adopt the Final Resolution for your project a fee will be due at closing.

If at any time the project costs change prior to the Final Resolution, please inform management immediately for closing fee recalculation purposes.

Please initial stating you understand the foregoing, have provided accurate project costs, and consent to the estimated closing fee provided above *LS*



Empowering Businesses. Inspiring Growth.

PROJECT SCORING CRITERIA

To be completed/calculated by AGENCY

Project Name:

Score:

1. Strategic Vision (0 OR 5)*:

- a. Does the project fit into preferred industry categories (manufacturing, industrial, medical, office, tourism)?
- b. Capitalizes upon un-or-under-employed, available talent pool?

2. Ratable Value (Capital Expenditure) (0 – 5):

- a. Investment in property resulting in increased ratables in municipality.
- b. Utilizes brownfield or otherwise “undesirable” parcel
- c. Return non-taxable property tax rolls
- d. “Brownfield remediation” would receive a 5

3. Number of Jobs (1 – 5):

- a. NOT sliding scale; relative to industry

4. Quality of Jobs (0 – 5):

- a. Defined as
- 0 = ANY jobs at minimum wage
- 1 = ALL jobs over \$15/hour
- 2 = 25% over \$25/hr plus benefits
- 3 = 50% over \$25/hr plus benefits
- 4 = 75% over \$25/hr plus benefits
- 5 = ALL jobs over \$25/hr plus benefits

5. Location (1 OR 5):

- a. 1 = In Orange County
- b. 5 = Designated growth zone, as identified by IDA (ex. Port Jervis, Highland Falls)

6. Desirability (0 – 5)*:

- a. Does the project have local political support?
 - i. Support letter from Supervisor/Mayor
- b. Is there favor, locally, for the project?
- c. Is the project remediating a brownfield or repurposing a zombie property?
- d. Is the parcel located in federally distressed area?
- e. Has project construction already begun?

TOTAL

** Speculative Buildings - identified as a project built with no end-user committed - results in an automatic 0 in these categories*

2-10 - Low/No PILOT

11-20 - Medium/Sector-based PILOT

21-30 - High/Qualifies for "Goliath" PILOT



Empowering Businesses. Inspiring Growth.

LABOR POLICY

Adopted 01-12-17

The Orange County Industrial Development Agency (IDA) was established for the purpose of creating employment opportunities for, and to promote the general prosperity and economic welfare of the residents of Orange County. The IDA offers economic incentives and benefits to qualified applicants who wish to locate or expand their businesses or facilities in Orange County. When the IDA approves a project, it enters into agreements to extend these incentives and benefits to the applicant.

Construction jobs, though limited in time duration, are vital to the overall employment opportunities and economic growth in Orange County. The IDA believes that companies benefiting from its incentive programs should employ local laborers, mechanics, craft persons, journey workers, equipment operators, truck drivers and apprentices (hereinafter "construction workers"), including those who have returned from military service, during the construction phase of projects. In this way, the IDA can generate significant benefits to advance the County's general prosperity. It is, therefore, the policy of the IDA that firms benefiting from its programs shall employ workers from Orange County and the "local labor" market during all project phases, including the construction phase.

For the purpose of this policy, the "local labor" market for construction workers shall be defined as those individuals living in Orange, Ulster, Sullivan, Dutchess, Putnam, Rockland and Westchester Counties. Applicants receiving IDA benefits shall ensure the contractor/developer hire at least 85% from the "local labor" market for their approved projects. The 85% shall be by contractor and in total at the time of completion of the project. The contractor/developer is mandated to keep daily log sheets of all field workers, commencing on the date of application. Any work performed after application shall be included in the determination of overall compliance with the 85% hiring requirements of this policy. A third-party auditing firm will be engaged to monitor construction work commencing on the date benefits are granted by resolution of the IDA Board.

However, the IDA recognizes that the use of local labor may not be possible for the following reasons and the applicant may request an exemption on a particular contract or trade scope for the following reasons:

1. Warranty issues related to installation of specialized equipment whereby the manufacturer requires installation by only approved installers;
2. Specialized construction is required and no local contractors or local construction workers have the required skills, certifications or training to perform the work;
3. Cost Differentials:
 - a. For projects whose project cost exceeds \$15M, significant cost differentials in bid prices whereby the use of local labor and materials significantly increases the sub contract or contract of a particular trade or work scope by at least 20%. Every reasonable effort should be made by the applicant and or the applicant's contractor to get below the 20% cost differential including, but not limited to, communicating and meeting with local construction

- trade organizations, such as the Hudson Valley Building and Construction Trades Council and other local Contractor Associations;
 - b. For projects whose project cost is less than \$15M, significant cost differentials in bid prices whereby the use of local labor and materials significantly increases the sub contract or contract of a particular trade or work scope by 10% or more. Every reasonable effort should be made by the applicant and or the applicant's contractor to get below the 10% cost differential including, but not limited to, communicating and meeting with local construction trade organizations, such as the Hudson Valley Building and Construction Trades Council and other local Contractor Associations;
4. No labor is available for the project; and
 5. The contractor requires key or core persons such as supervisors, foreman or "construction workers" having special skills that are not available in the "local labor" market.

The request to secure an exemption for the use of non-local labor must be received from the applicant on the exemption form provided by the IDA or the 3rd party monitor and received in advance of work commencing. The request will be reviewed by the 3rd party monitor and forwarded to the IDA, at which time the IDA's Audit Committee shall have the authority to approve or disapprove the exemption. The 3rd party monitor shall report each authorized exemption to the Board of Directors at its monthly meeting.

In addition, applicants receiving IDA benefits and Contractors on the project shall make every reasonable effort to utilize vendors, material suppliers, subcontractors and professional services from Orange County and the surrounding counties. Applicants and contractors shall be required to keep records of those local vendors, material suppliers, contractors and professional services whom they have solicited and with whom they have contracted with or awarded. This shall be stored in a binder on site and shall be easily available for review by an authorized representative of the IDA, such as the IDA's 3rd party monitor. It shall include any documents for solicitation and contracts. It is the goal of the County of Orange and the IDA to promote the use of local veterans on projects receiving IDA benefits. By partnering with local contractors, local contractor groups, local trade unions and contractors awarded work on IDA projects, there are opportunities for veterans to gain both short- term and long-term careers in the construction industry.

Once approved for IDA benefits, all applicants will be required to provide to IDA staff the following information:

1. Contact information for the applicant's representative who will be responsible and accountable for providing information about the bidding and awarding of construction contracts relative to the applicant's project;
2. Description of the nature of construction jobs created by the project, including in as much detail as possible, the number, type and duration of construction positions;
3. The names, contact information, certificate of authorization to do business in the State of New York and copies of current Certificates of NYS Workers' Compensation Insurance, NYS Disability Insurance, General Liability Insurance and proof of current OSHA training certification from all contractors' employees performing work on the site; and
4. A Construction Completion Report listing the names and business locations of prime contractors, subcontractors and vendors who have been engaged in the construction phase of the project.

All Orange County IDA projects are subject to local monitoring by the IDA and any 3rd party monitor. The applicant and/or the Construction Manager or General Contractor acting as agent for the applicant on the project, shall keep a log book on site detailing the number of workers, hours worked and counties and states in which they reside. Proof of residency or copy of drivers' license shall be included in the log book, along with evidence of necessary OSHA certifications. Reports will be on forms provided by the IDA or weekly payroll reports which contain the same information as required on the IDA issued form. The applicant and contractors are subject to periodic inspection or monitoring by the IDA or 3rd party monitor.

The 3rd party monitor shall issue a report to the IDA staff immediately when an applicant or applicant's contractor is not in compliance with this labor policy. IDA staff shall advise the Audit Committee and/or IDA Board of non-compliance by email or at the next scheduled meeting. If a violation of policy has occurred, IDA staff shall notify the applicant and contractor in writing of non-compliance and give applicant a warning of violation and 72 hours in which to correct such violation. Upon evidence of continued non-compliance or additional violations, the IDA and/or its 3rd party monitor shall notify the applicant that the project is in violation of the Orange County IDA Labor Policy and is subject to IDA Board action which may result in the revocation, termination and/or recapture of any or all benefits conferred by the IDA.

The IDA will use a third party firm or firms to monitor and audit compliance with this local labor policy, the cost of which shall be paid for by the Company in advance of the audits and held in a non-interest bearing escrow account until audits are complete.

The applicant of an IDA approved project shall be required to maintain a 4' X 8' bulletin board on the project site containing the following information:

1. Contact information of the applicant;
2. Summary of the IDA benefits received;
3. Contractors names and contact information on IDA provided form;
4. Copies of proof of exemption from labor policy;
5. Copies of any warnings or violations of policy;
6. Copy of the Executed Labor Policy.

The bulletin board shall be located in an area that is accessible to onsite workers and visitors, which should be clear and legible at least 10 feet from said board.

The applicant has read the OCIDA Labor Policy and agrees to adhere to it without changes and shall require its construction manager, general contractor and sub-contractors who are not exempt to acknowledge the same. The Applicant understands and agrees that it is responsible for all third-party auditing and monitoring costs.

John Saylor
Applicant Signature

Signature of CM, GC or SC

Walgreen Eastern Co., Inc.
Company Name

Company Name

John Saylor
Print Name of above signer

Print Name of above signer

gregory.shirey@walgreens.com 312.805.7867
Email/phone of Applicant

Email/phone of CM/GC/SC

1/14/2022
Date

Date

APPROVING RESOLUTION

A regular meeting of the Orange County Industrial Development Agency was held on January 19, 2022 at 5:30 p.m. (local time) in the Community Room at the OC Government Center, 255 Main Street, Goshen, New York in accordance with Executive Order Number 202.1, as extended by subsequent executive orders.

The meeting was called to order by the _____ and upon the roll being duly called, the following members were:

BOARD MEMBERS PRESENT:

THE FOLLOWING PERSONS WERE ALSO PRESENT VIA TELE/VIDEOCONFERENCE Staff Present: _____-; Others Present: _____

The following resolution was offered by _____ and seconded by _____:

RESOLUTION APPROVING A RETROACTIVE EXTENSION OF THE APPOINTMENT OF THE COMPANY AND ITS SUB-AGENTS AS AGENTS OF THE AGENCY UNTIL DECEMBER 31, 2022; AND AUTHORIZING THE EXECUTION OF ANY AND ALL NECESSARY DOCUMENTS

WHEREAS, the Orange County Industrial Development Agency (the “*Agency*”) is authorized and empowered by Title 1 of Article 18-A of the General Municipal Law of the State of New York (the “*State*”), as amended, together with Chapter 390 of the Laws of 1972 of the State of New York, as amended from time to time (collectively, the “*Act*”), to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, for the purpose of promoting economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State, to improve their recreation opportunities, prosperity and standard of living; and

WHEREAS, at the request of 13th Avenue Fish Market, Inc. (“*13th Ave.*”), on behalf of 360 Middletown Holdings LLC (the “*Company*”), by resolution dated November 14, 2019 (the “*Inducement Resolution*”) the Agency agreed to undertake a project (the “*Project*”) consisting of: (A) the acquisition by the Agency of a leasehold interest in an approximately 7.8±-acre parcel of land located at 360 Crystal Run Road in the Town of Walkill, Orange County, New York (the “*Land*”) together with the existing approximately 31,534 square-foot warehouse building thereon (collectively the “*Existing Improvements*”); (B) the renovation and reconstruction of the Existing Improvements to house the Freund's Fish Market expansion of its production line and scope of distribution, to be implemented in six phases, including, but not

limited to, (i) kosher Japanese food products, (ii) raw fish production, (iii) gelfite fish production, (iv) breeding machinery, (v) wholesale appetizing products, and (vi) frozen foods (collectively, the "**Improvements**"), and (C) the acquisition in and around the Improvements of certain items of equipment, machinery and other tangible personal property (the "**Equipment**"; and, collectively with the Land, the Existing Improvements and the Improvements, the "**Facility**"); (B) the granting of certain financial assistance including some or all of the following: exemptions from real estate taxes, State and local sales and use tax and mortgage recording tax (in accordance with Section 874 of the General Municipal Law) (collectively the "**Financial Assistance**"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, construction, renovation, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement; and

WHEREAS, the Company and Agency entered into a lease transaction, dated as of December 1, 2019, to effectuate the undertaking of the Project and the conference of the approved Financial Assistance (the "**Lease Transaction**"). As part of the Lease Transaction for purposes of undertaking and completing the Project Facility, the Company was appointed as the agent of the Agency through December 31, 2021 (the "**Appointment**"), and was awarded an amount not to exceed \$153,359 in exemptions from State and local sales and use tax (the "**Exemption**"); and

WHEREAS, by letter dated December 13, 2021, the Company advised of unexpected delays in construction due to the ongoing impacts of COVID-19. As such, the Company is requesting an extension of their Appointment from December 31, 2021 to December 31, 2022 to provide them an opportunity to complete the Project (the "**Extension**"); and

WHEREAS, as of December 13, 2021 the Company has a balance of approximately \$98,400.00 in unused State and local sales and use tax exemption remaining available for the Project (the "**Remaining Exemption**"). The Company is not requesting any additional financial assistance; and

WHEREAS, the Extension is in furtherance of the Financial Assistance that was previously approved for the Project, which underwent an environmental review pursuant to the State Environmental Quality Review Act ("**SEQRA**"), and the present Extension request is insubstantial and does not require reconsideration or further review by the Agency under SEQRA.

NOW, THEREFORE, be it resolved by the members of the Orange County Industrial Development Agency as follows:

(1) Based upon the representations made by the Company to the Agency, including but not limited to there being no event of default under the Lease Documents (as defined herein), the Agency hereby makes the following findings and determinations:

(a) The granting of the Extension does not require reconsideration or further review under SEQRA.

(b) The Agency authorizes the Extension for purposes of completing the Project through and including December 31, 2022, conditioned upon the Company: (i) representing and warranting that there are no events of default under any of the documents executed and delivered by the Company in conjunction with the Lease Transaction, including but not limited to a lease agreement, a leaseback agreement, a project agreement and an environmental compliance and indemnification agreement, each dated as of December 1, 2019 (collectively, the "**Lease Documents**"); (ii) confirming that all insurance executed and delivered in conjunction with the Project and the Lease Transaction remains in full force and effect all in accordance with the Lease Documents and will submit to the Agency proof of insurance naming the Agency as an additional insured pursuant to the Agency's requirements under the Lease Documents; (iii) submitting to the Agency any applicable information requested by the Agency with respect to the Extension so that they can accurately track and report Project and Financial Assistance information as required under the Act; (iv) executing and delivering any and all documents required by the Agency in connection with the Extension and to carry out the intent of this Resolution; (v) submitting any applicable administrative fees and all legal fees incurred by the Agency in exchange for the Agency's grant of the Extension; and (vi) submitting any proof required by the Agency demonstrating that the Company has not realized State and local sales and use tax exemptions in excess of what was authorized for the Project.

(2) The Agency is authorized to execute all documents necessary to effectuate the Extension (collectively, the "**Extension Documents**") including but not limited to revisions or amendments of the Lease Documents, issuance of a new Sales Tax Appointment Letter and an amendment or extension of the appropriate "IDA Appointment of Project Operator or Agent for Sales Tax Purposes" (Form ST-60) for each of the Company and any sub-agents in accordance with the Lease Documents; and each the Chairman, the Vice Chairman and/or the Executive Director of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the documents, to make such other changes, omissions, insertions, revisions, or amendments to the documents referred to herein as the (Vice) Chair deems appropriate and to do and cause to be done any such other acts and things, as they determine, on advice of counsel to the Agency, may be necessary or desirable to consummate the transactions contemplated by this Resolution. The execution thereof by the Chair, the Vice Chair and/or the Executive Director constitutes conclusive evidence of such approval.

(3) Bousquet Holstein PLLC, as counsel to the Agency, is hereby authorized to work with the Agency and others to prepare, for submission to the Chair, Vice Chair and/or Executive Director, all Documents necessary to effect the intent of this Resolution.

(4) The Company shall provide or cause its Additional Agents to provide, and the Agency shall maintain, records of the amount of State and local sales and use tax exemption benefits provided to the Project and the Company shall, and cause each Additional Agent, to make such records available to the Agency and the State Commissioner of Taxation and Finance (the “**Commissioner**”) upon request. The Agency shall, within thirty (30) days of providing any State sales and use tax exemption benefits, report to the Commissioner the amount of such benefits for the Project, identifying the Project, along with any such other information and specificity as the Commissioner may prescribe. As a condition precedent to the Company or Project’s receipt of, or benefit from, any State or local sales and use tax exemptions, the Company must acknowledge and agree to make, or cause its Additional Agents to make, all records and information regarding State and local sales and use tax exemption benefits realized by the Project available to the Agency or its designee upon request.

(5) No covenant, stipulation, obligation or agreement contained in this resolution or any document referred to herein shall be deemed to be the covenant, stipulation, obligation or agreement of any member, officer, agent or employee of the Agency in his or her individual capacity. Neither the members nor officers of the Agency, nor any person executing any documents referred to above on behalf of the Agency, shall be liable thereon or be subject to any personal liability or accountability by reason of the execution or delivery thereof.

(6) The Secretary of the Agency is hereby authorized and may distribute copies of this Resolution and do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

(7) This Resolution shall become effective immediately. A copy of this Resolution, together with any attachments hereto, shall be placed on file in the office of the Agency where the same shall be available for public inspection during business hours.

The question of the adoption of the foregoing resolution was duly put to vote on a roll call, which resulted as follows:

AYE

NAY

Mike Torelli
Vincent Odock
Paul Ruskiewicz
Dean Tamburri

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK)
) SS.:
COUNTY OF ORANGE)

I, the undersigned Secretary of the Orange County Industrial Development Agency, **DO HEREBY CERTIFY** that I have compared the annexed extract of the minutes of the meeting of the Orange County Industrial Development Agency (the “*Agency*”) held on January __, 2022, with the original thereof on file in the office of the Agency, and that the same (including all exhibits) is a true and correct copy of the proceedings of the Agency and of the whole of such original insofar as the same relates to the subject matters referred to therein.

I FURTHER CERTIFY that: (i) all members of the Agency had due notice of such meeting; (ii) pursuant to Section 104 of the Public Officers Law (Open Meetings Law), as temporarily amended by Executive Order 202.1 issued on March 12, 2020 (“*EO 202.1*”), as amended and extended from time to time, such meeting was open to the general public and public notice of the time and how to participate in such meeting was duly given in accordance with such Section 104 and EO 202.1; (iii) the meeting was in all respects duly held; and (iv) there was a quorum present throughout.

I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have set my hand and affixed the seal of the Agency on _____.

**ORANGE COUNTY INDUSTRIAL
DEVELOPMENT AGENCY**

By: _____,
_____, Secretary

(S E A L)