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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."



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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.

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APPLICATION FOR FINANCIAL ASSISTANCE

I. APPLICANT INFORMATION

A) APPLICANT

Company Name:	Orange Inn Lic.
Mailing Address:	159-167 Main Street Goshen, NY 10924
Phone No.:	(845) 294-1880
Fax No.:	
Fed Id. No.:	03-0581748
Contact Person:	Luigi Kapiti
Title:	President
Contact Phone No.:	(845) 821-4750
Contact Email:	info@limoncelloatorangeinn.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: Carly Glassé

Company Name: Limoncello at the Orange Inn

Title:

Address: 159-167 Main Street Goshen, NY 10924

Phone No.: (845) 325-4674

Fax No.:

Email: Carly@limoncelloatorangeinn.com

C) APPLICANT'S COUNSEL

Name: Michael Blustein

Address: 10 Matthews Street Goshen, NY 10924

Phone No.: (845) 291-0011

Fax No.: (845) 291-0021

Email: Mblustein@midhudsonlaw.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

D) APPLICANT'S AUDIT CONTACT

Name: Luigi Kapiti

Address: 159-167 Main Street Goshen, NY 10924

Phone No.: (845) 821-4750

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: _____

Address: 53 Lagrange Road Campbell Hall, NY 10916

Phone No.: (845) 494-3254

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
Luigi Kapiti	Presdent	100%	100%
			*

**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

Partnership

General	or Limited		
Number of general partners			
If applicable, number of	of limited partners		

Date of formation _______

Limited Liability Company/Partnership (number of members <u>1</u>)

Date of organization: <u>2/7/2006</u> State of Organization: <u>New York</u>

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:

Not Applicable

**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.

Kensington Manor Llc. - 1 Kensington Manor Middletown, NY 10941

**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.

Not Applicable

**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:

Not Applicable

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

L) Legal Questions:

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 Y No

- 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 Y No
- 3. Has the Company ever settled a debt with a lending institution for less than the full amount outstanding?
- 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 2 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 Y 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?

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

Not Applicable

**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):

On attached page**		
	vided is not sufficient.	

Estimated % of sales within the County:	100%
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.:	

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This building was purchased in 2006. The building was operating as a restaurant and short term living quarters for people upstairs. The building had a lot of history, and good bones but was run down, and due to the state of the building the people living there were constantly alerting the police department. The restaurant was closed for 6 months and underwent major renovations and was reopened 6 months later. It was very hard to get any of the tenants that were staying out of the building to do proper renovations. Slowly the rooms were rehabbed to an extent little by little room by room, but never to the extent that was desired. The restaurant has become a focal point in the Village hosting 100s of special events over the years. Being a fan of Goshen, and the hopeful growth the village will be experiencing over the next few years, it seems like a good time to take on this project.

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

*** on attached page***

**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? Ves or No

If no, please describe below:

Not Applicable

**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.

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).

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\$175 per room * 30 rooms= \$5,250 \$5,250 * 30 days= \$157,500 \$157,500 * 12 months= 1,890,000 Total occupancy for hotel = \$1,890,000 * 50% (minimum expected occupancy)= \$945,000 for hotel Restaurant monthly rent = \$10,000/ month * 12 months= \$120,000 Total minimum expected= \$945,000 (half occupancy) + \$120,000 restaurant rent= \$1,065,000/year

II.	PROJECT INFORMATION
A)	Project Address: 159-167 Main Street Goshen. NY 10924
	Tax Map Number <u>109-2-3</u>
	(Section/Block/Lot)
	Located in Town of
	Located in Village of Goshen
	School District of Goshen
B)	Are utilities on site?
	Water ves Electric ves
	Gas ves Sanitary/Storm Sewer ves
C)	Present legal owner of the site <u>Orange Inn Llc.</u> If other than from applicant, by what means will the site be acquired for this project?
D) Zo	oning of Project Site: Current: <u>Ves</u> Proposed:
E) Ar	e any variances needed? <u>No</u>

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.

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

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

Full renovation of an 18th century inn, converting the rooms into an upscale botique hotel in the Village of Goshen with renovated italian restaurant downstairs, and event spaces available for corporate events.

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

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

With approval of these incentives, we would be able to more easily handle the burden of the project. It would make it possible to hire more people quicker, making it possible to potentially recoup some of the funds paid out of pocket faster, allowing us to invest more in the business and locally.

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

<u>J)</u>	Statement describing the economic benefit to the surrounding com	nunity resulting from this project:
on	attached page	
**Plea	se attach narrative if space provided is not sufficient.	
K)	Anticipated Date of Operation: 07/01/2021	
L)	Principal use of project upon completion:	
indi	ining data process M other	es Iential
If othe	r. explain: Hotel . Restaurant. Small convention center	
N) Est Value	ICS Code: attached timated Project Costs, including: of property to be acquired: \$ <u>N/a</u> of improvements: \$2.210,000	
Value	of equipment to be purchased: s	
	ated cost of engineering/architectural services; \$ 90,000	
Other:	\$	
Total C	Capital Costs: s	
	t refinancing; estimated amount financing of existing debt only)	sN/A
Source	es of Funds for Project Costs:	
Bank F	Financing:	3.300.000
Equity	(excluding equity that is attributed to grants/tax credits)	5
Tax Ex	xempt Bond Issuance (if applicable)	s
Taxabl	le Bond Issuance (il applicable)	5
	Sources (Include sum total of all state and federal and tax credits)	

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The restored history of the building itself will attract a certain type of customer that will ultimately stay and spend money in this area and Orange County as a whole. This building has hosted guests from the likes of George Washington to James Cagney, and people are drawn to history when there is proper allure. A full renovation that preserves the best parts of the building will do just that. People will come from other areas including New York City. People will come and stay in the hotel, and perhaps dine in the restaurant downstairs. Aside from that they will also want to go to shows, see local art, shop locally, attend local events, local restaurants. The continued growth of the surrounding area is beneficial to the inn as the flourishing of the inn is beneficial to the local area. When the Inn and restaurant are operating over 50 jobs will be created benefitting local people.

M NAICS Codes: Hotel: 721110 Restaurant: 722511 Small Convention Center: 561920

Not Applicable	\$
	\$
	\$
	\$

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:

Not Applicable

Project Data

2.

3.

4.

5.

6.

1. Project site (land)

(a)	Indicate approximate size (in acres or square feet) of project site. .23 property 20,531 square feet		
(b)	Are there buildings now on the pro-	oject site? Yes No	
(c)	Indicate the present use of the pre-	oject site.	
	Vacant apartments & Restaura	ant	
(d)	Indicate relationship to present us Owner	ser of project.	
lf yes	the project involve acquisition of ar s, indicate number, size and approxi own building currently		
If yes No- Does	s, indicate number, size and approxi own building currently the project consist of the constructi	mate age of buildings:	
If yes No-	s, indicate number, size and approxi own building currently	mate age of buildings:	
If yes No- Does If yes No Does	s, indicate number, size and approxi own building currently s the project consist of the constructi s, indicate number and size of new b	mate age of buildings: on of a new building or buildings? buildings:	
If yes No- Does If yes No Does If yes	s, indicate number, size and approxi own building currently s the project consist of the constructi s, indicate number and size of new b	mate age of buildings: on of a new building or buildings? buildings: //or renovations to existing buildings? or renovation:	
If yes No- Does If yes No Does If yes Yes	s, indicate number, size and approxi own building currently s the project consist of the constructi s, indicate number and size of new b s the project consist of additions and s, indicate nature of expansion and/o	mate age of buildings: on of a new building or buildings? buildings: //or renovations to existing buildings? or renovation:	

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...

Hotel/inn

...*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.)

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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.

Not applicable

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

Has construction work on this project begun?
Yes or
No 10. Complete the following 30 Yes No (a) site clearance % complete (b) foundation Yes V No % complete No (c) footings Yes V % complete Yes (d) steel V No % complete (e) masonry work Yes No % complete (f) other (describe below) Yes No % complete

III. FINANCIAL ASSISTANCE REQUESTED

A) Benefits Requested:	
Sales Tax Exemption 🔲 Tax-Exempt/ Taxable Revenue B	ond
Mortgage Recording Tax Exemption Real Property Tax	Agreement
B.) Value of Incentives:	
<u>IDA PILOT Benefit</u> : Agency staff will indicate the amount of PILO contained herein and anticipated tax rates and assessed va abatement amount for each year of the PILOT benefit year and th for the term of the PILOT as depicted under the heading "Real Pro-	aluation, including the annual PILOT Benefit e sum total of PILOT Benefit abatement amount
Sales and Use Tax:	
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: \$ <u>1.000.000</u> X .08125 =	\$ <u>81,250</u>
(Amount of Project Cost Subject to Tax X Sales Tax Rate =	Totai)
Estimated duration of Sales Tax exemption: <u>One vear+</u> **Should coincide with construction timeline.	
Mortgage Recording Tax Exemption Benefit:	
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:	
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(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?

Ves 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:

On attached page

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Though the project in some capacity will be able to move on without financial incentives, it will be brought to its full potential with the incentives. With the help of the IDA, we will be able to employ more people, which will create a better business structure, and allow more money to flow through the building make it nicer, and allowing there to be a bit less risk for a permanent fixture in the Village.

IV. EMPLOYMENT PLAN

A) Current Employee Headcount:

i	Current # of jobs at proposed project location or to be relocated to project location			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)		see	attached	page
Part Time (PTE)				
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'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	***	see	attached	page	***
Professional			terre en anter de la composition de la		
Administrative				-	
Sales	1	-			
Production/ Manufacturing					
Independent Contractor					
Other (specify)					

Page 18-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 resident 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)	8	8	17	17
Part Time (PTE)	14	14	19	19
Total	22	22	36	36

B Salary & fringe benefits for jobs to be created

Category of Jobs to be	# of Jobs	# of Jobs	# of Jobs	Average Salary or	Average Fringe Benefit
Created	Year 1	Year 2	Year 3	Salary Range	or Range of Fringe
					Benefits
Management	2	0	0	31,200-52,000	Health insurance/401k
Professional	3	0	1	52,000-65,000	Health insurance/401k
Administrative	3	0	2	28,000-32,000	Health insurance/401k
Cooks/Kitchen Help	9	0	2	25,000-54,000	Health insurance/401k
Cleaning/Housekeeping	5	0	2	23,000-30,000	Health insurance/401k
Restaurant	5	1	1	15,000-20,000	Health insurance/401k
Servers/Bussers, etc.					

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

see attached page

**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	***	see attached page	***
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:

*** see attached page***

1

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

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B part 2

Continued from Salaries of jobs to be created- If there is a salary range larger than \$20,000 in a category please provide additional information below: Management: approximately \$25/hour Chef: approximately: \$25/ hour Line Cook: approximately \$20/hour Concierge/Housekeeper: approximately \$15/hour Host/ Coat Check/ Greeters: approximately \$14.50/hour & up

All of these salaries are flexible and will increase depending on the success of the inn & restaurant.

Category of Jobs to be Created	Current # of Jobs	Average Salary or Salary Range	Average Fringe Benefit or Range of Fringe Benefits
Management	2	40,000-50,000	N/A
Professional	1	40,000	N/A
Administrative	22	25,000-35,000	N/A
Cooks/Kitchen Help	6	30,000-40,000	
Cleaning/Housekeeping	0	0	N/A
Restaurant	11	15,500-20,000	N/A
Servers/Bussers, etc.			

C Salary & fringe benefits for jobs to be retained

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

Management: approximately \$25/hour Chef: approximately: \$25/ hour Line Cook: approximately \$20/hour Concierge/Housekeeper: approximately \$15/hour Host/ Coat Check/ Greeters: approximately \$14.50/hour & up

All of these salaries are flexible and will increase depending on the success of the inn & restaurant

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:

All employees will be offered the option of buying into health insurance plans and 401k. Workers comp and disability are provided. Training opportunities are offered as well as subsidized meals.

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

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

*** see attached page***

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

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D

Hiring Plan

Hiring will start immediately, and the work search will continue steadily for the perfect employees. The timing will speed up as we need to add employees based on the business.

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

All non-managerial employees will have the opportunity to advance, or at least be given the tools to advance after 6 months of satisfactory job performance in their current position. We will allow job shadowing and open discussions with employees wanting to advance. Where warranted, employees will receive full training and when possible, we will hire and advance from within.

V. <u>REPRESENTATIONS BY THE APPLICANT</u>

The Applicant understands and agrees with the Agency as follows:

- A. <u>Job Listings</u> 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 (Public Law 97-300) ("JPTA") in which the project is located.
- B. <u>First Consideration for Employment</u> 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. <u>Annual Sales Tax Fillings</u> 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. <u>Annual Employment Reports:</u> 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. <u>Compliance with N.Y. GML Sec. 862(1)</u>: 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. <u>Compliance with Applicable Laws:</u> 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. <u>False and Misleading Information</u>: 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.

- Recapture: Should the Applicant not expend, hire as presented, or violates Sales Tax Exemption Ι. 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.
- Absence of Conflicts of Interest: The applicant has received from the Agency a list of the members, K. 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:
- Freedom of Information Law (FOIL): The applicant acknowledges that the OCIDA is subject to New York ۱. 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.: Lui Gi Kapiti, being first duly sworn, deposes and says:

- 1. That I am the Ow New (Corporate Office) of $O_{12A} \sim \underline{9e_{1} \times N} \perp \underline{C}$ (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 Office

Subscribed and affirmed to me under penalties of perjury this 219 day of Noven ber, 2020

esanell' nchel (Notary Public)

ADRIENNE CASSANELLI NOTARY PUBLIC, STATE OF NEW YORK Registration No. 01CA6113323 Qualified In Orange County Commission Expires July 26, 20

This Application should be submitted to:

Orange County Industrial Development Agency c/o Mary Ellen Rogulski, 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



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.

	fuid	
NUCLASS	(Applicant Sig	nature)
Ву:	•	
Name:_	LuiGi	KAPITI
Title:	OWNER	-

Sworn	to	before	me	this	3rd	day
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of November 20ZU

ADRIENNE CASSANELLI NOTARY PUBLIC, STATE OF NEW YORK Registration No. 01CAS11323 Qualified in Orange County Commission Expires July 26, 20,21 [stamp]



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	Estimated New Assessed Value of Property	County Tax Rate/1000	Local Tax Rate (Town/City/Village)/1000	School Tax Rate/1000
Renovation Costs	Subject to			
			-1.0	

*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		1					
3							
4							10.25
5							
6			1				
7							
8	j.	1		Ì			
9		1		-			2
10							
11					1.00		19.
12						~~~	
13							1
14							
15							
16				-			< <u></u>
17				1			1
18							
19				1			
20							
TOTAL			1				

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

Cost Benefit Analysis:

To be completed/calculated by AGENCY

	<u>Costs =</u> Financial Assistance	<u>Benefits =</u> Economic Development
*Estimated Sales Tax Exemption	\$	New Jobs Created Permanent Temporary
		Existing Jobs Retained Permanent Temporary
Estimated Mortgage Tax Exemption	\$	Expected Yearly Payroll \$
	¢	Expected Gross Receipts \$
Estimated Property Tax Abatement	\$	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)

	Industrial Development Agency
	Empowering Businesses. Inspiring Growth.
	Fill out when instructed by Agency
RE	TAIL QUESTIONNAIRE
To el addit	nsure compliance with Section 862 of the New York General Municipal Law, the Agency requires tional information if the proposed Project is one where customers personally visit the Project site to ertake 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?
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)?
D)	Will the Project make available goods or services which are not currently reasonably accessible to the residents of the municipality within which the Yes No proposed Project would be located?
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?
a	If ves, 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/) If yes, explain:



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



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

<u>Mail to:</u> 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

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 fore oing, have provided accurate project costs, and consent to the estimated closing fee provided above



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



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;
- 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.

Signature of CM, GC or SC Applicant Signature **Company Name** above slaner (OM of CM/GC/SC Email/phone of Applicant Email/phone Date