



Empowering Businesses. Inspiring Growth.

APPLICATION FOR FINANCIAL ASSISTANCE

Mack Bros., Ltd.

(Applicant Name)

August 3, 2022

(Date of Application)

Orange County IDA
4 Crotty Lane, Suite 100
New Windsor, NY 12553
Phone: 845-234-4192 Fax: 845-220-2228
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IDA Legal Counsel

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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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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



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APPLICATION FOR FINANCIAL ASSISTANCE

II. APPLICANT INFORMATION

A) APPLICANT

Company Name: Mack Bros., Ltd.

Mailing Address: One 6 1/2 Station Road, Goshen NY 10924

Phone No.: 845-294-5400

Fax No.: 845-294-7073

Fed Id. No.: 26-4086566

Contact Person: Martin Hoffman

Title: President

Contact Phone No.: 845-294-5400

Contact Email: debim@milmarfood.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 MH

B) INDIVIDUAL COMPLETING APPLICATION

Name: Martin Hoffman

Company Name: Mack Bros., Ltd.

Title: President

Address: One 6 1/2 Station Rd, Goshen NY

Phone No.: 845-294-5400 Fax No: 845-294-7073

Email: debim@milmarfood.com

C) **APPLICANT'S COUNSEL**

Name: John C. Cappello

Address: 158 Orange Avenue Walden, NY 12586

Phone No. 8457782121

Fax No.: 8457755173

Email: jcc@jacobowitz.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 mh

D) **APPLICANT'S AUDIT CONTACT**

Name: Marc Josephson @ Josephson & Josephson, CPA's, P.C

Address: 20 West 55th Street, Suite 3C, NY NY 10019

Phone No.: 212-685-2030

Fax No.: 212-685-2150

Contact Email: mjosephson@jlkcpaspc.com

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 mh

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

Name/Contact: Holt Construction

Address: 25 Main Street, Suite 3-1, Goshen NY 10924

Phone No.: 845-735-4054

Fax No.: 845-735-4570

Email: ddepew@holtcc.com

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
Martin Hoffman	President/CEO	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

Date of Incorporation: March 20, 1961
 State of Incorporation: New York State

☐ 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 _____)

Date of organization: _____
 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:

**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.

MILMAR FOOD GROUP II LLC

**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.

No

**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:

**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:

****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):

****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.

1st yr = \$50 M
2nd yr = \$55 M
3rd yr = \$60 M

**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:

**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).

II. PROJECT INFORMATION

A) Project Address: One 6 1/2 Station Road, Goshen NY

Tax Map Number 12-1-13.1 & 12-1-13.2
(Section/Block/Lot)

Located in City of _____

Located in Town of Goshen NY

Located in Village of _____

School District of Goshen

B) Are utilities on site?

Water _____

Electric X

Gas X

Sanitary/Storm Sewer _____

C) Present legal owner of the site Mack Bros.

If other than from applicant, by what means will the site be acquired for this project?

D) Zoning of Project Site: Current: X Proposed: _____

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.

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.):

SEE EXHIBIT 5

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

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

15 yr property tax abatement will impact by offsetting increased finance costs.

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

Exhibit 5:: Milmar expansion and renovation

The project entails the following scope of work;

There are multiple additions that will be added to the existing processing facility.

These additions include;

A new refrigerated loading dock that will improve the cold chain compliance of the facility and reduce the loading time of trucks.

Refrigerated refuse area consolidating and securing all refuse from the facility and facilitating recycling.

A new 2,000 pallet Freezer that will eliminate the need for outside storage. The addition of the freezer will significantly reduce truck traffic by eliminating double handling of finished product.

A new processing area that will allow Milmar to automate the processing, freezing, and packaging of major products. This improves the quality and efficiency of manufacturing.

A new area to manufacture Gluten free products. Gluten free items must be segregated from all other processing. This was not possible prior to the modifications.

New production offices, test kitchen, and other ancillary facilities to support increased production and improve quality controls.

A new Non-Kosher processing area that is totally segregated from the Kosher operation. This will allow Milmar to expand their non-kosher processing.

In addition to the noted additions there will be many modifications and renovations to the existing facilities. This work will include but not be limited to improved blast freezing, packaging and boxing, more cold storage for raw products, more and improved processing, more wash areas, additional dry storage, improved ADA compliance, more efficiencies in the operations to reduce energy usage.

All of these modifications will create a state-of-the-art processing facility that will conform to the stringent USDA and Rabbinical regulations. The new changes will reduce traffic, improve cold chain compliance, ensure the security of product, implement automated processing, reduce energy consumption and improve productivity.

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

50 job openings over a 36 months working alternate shifts will be the economic benefit to the local area

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

K) Anticipated Date of Operation: Dec 2023

L) Principal use of project upon completion:

- | | | | |
|---|---|-----------------------------------|--------------------------------------|
| <input checked="" type="checkbox"/> manufacturing | <input checked="" type="checkbox"/> warehousing | <input type="checkbox"/> research | <input type="checkbox"/> offices |
| <input type="checkbox"/> industrial | <input type="checkbox"/> recreation | <input type="checkbox"/> retail | <input type="checkbox"/> residential |
| <input type="checkbox"/> training | <input type="checkbox"/> data process | <input type="checkbox"/> other | |

If other, explain: _____

M) NAICS Code: 311910

N) Estimated Project Costs, including:

Value of property to be acquired: \$ n/a

Value of improvements: \$ 18 million

Value of equipment to be purchased: \$ _____

Estimated cost of engineering/architectural services: \$ 500,000

Other: \$ _____

Total Capital Costs: \$ 18.5 M

Project refinancing; estimated amount
(for refinancing of existing debt only) \$ 0

Sources of Funds for Project Costs:

Bank Financing: \$ 10.8 M

Equity (excluding equity that is attributed to grants/tax credits) \$ 500,000

Tax Exempt Bond Issuance (if applicable) \$ 0

Taxable Bond Issuance (if applicable) \$ _____

Public Sources (Include sum total of all state and federal grants and tax credits) \$ 7.2 M

Identify each state and federal grant/credit:

USDA	\$ 3.6 M
Empire State Development	\$ 3.6 M
	\$
	\$
Total Sources of Funds for Project Costs:	\$ 18.5M

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:

Project Data

1. Project site (land)

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

60 acres

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

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

Frozen Food Manufacturing Facility

- (d) Indicate relationship to present user of project.

same

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:

Demo 5000 SF of existing 60,000 sf bldg; add one-story 40,000 SF

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

New bldg will be attached and broken down into larger rooms

5. Estimated Start Date of Construction: 10-2022

6. Estimated End Date of Construction: 12-2023

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...

Frozen food manufacturing

. . .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.)

2.5% / 1000 SF

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.

In-line spiral freezer, counting machine, bagging machine, carton
sealing, USDA washing mahine

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

Complete the following

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

\$ 6.0 M X .08125 = \$ 487,500

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

Estimated Sales Tax exemption for fixtures and equipment:

\$ _____ X .08125 = \$ 0

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

Estimated duration of Sales Tax exemption: October 2022 - December 2022

***Should coincide with construction timeline.*

Mortgage Recording Tax Exemption Benefit:

Estimated value of Mortgage: \$ 10 M

Estimated value of Mortgage Recording Tax exemption:

\$ 10M X .0075 = \$ 75,000

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

Tax-Exempt/ Taxable Revenue Bond Benefit:

☐ Amount of Bonds, if requested: \$ 0

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?

☒ 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:

See attachment. EXHIBIT 6

EXHIBIT 6 OCIDA MILMAR/ MACK BROS

Page18 C

If financial Assistance is not provided by the Agency, not as many jobs will be created in the same time frame. Profitability and positive cash flow will drive job creation, as the timeline of the project will be extended and our ability to add jobs will be limited. Overall, it will take us several years longer to realize the number of new jobs we anticipate adding, if we can reach those numbers at all, without the Agency's assistance

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)	300	300	50	50
Part Time (PTE)	-			
Total	300	300	50	50

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	1	0	195,000	20%
Professional	2	1	0	120,000	20%
Administrative					
Sales					
Production/ Manufacturing	19	15	10	35,000	20%
Independent Contractor					
Other (specify)					

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

Everyone. Skilled trained food employess, Quality Assurance, Butchers for raw boneless meat & chicken

****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	2	195,000	20%
Professional	2	120,000	20%
Administrative	25	60,000	20%
Sales	8	100,000	20%
Production/ Manufacturing	263	35,000	20%
Independent Contractor			
Other (specify)			

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

All employees

****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:

Vacation 1-4 weeks, Holidays 14 days, Sick time 5 days, Health and Welfare insurance

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

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

USDA and SQF (Safe Quality Foods)

**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 Entity") of the service delivery area created by the federal job training partnership act (Public Law 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 Filings 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

- 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.

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

(Signature of Officer)

DEBORAH MANFREDONIA
NOTARY PUBLIC, STATE OF NEW YORK
Registration No. 01MA6116082
23 Qualified in Orange County
My Commission Expires: 9-20-24

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:	\$ 18.5 m
Total amount of public sector source funds allocated/awarded to the Project:	\$ 11.3 m
Amount of the Project to be financed from private sector sources:	\$ 7.2 m
Total Project Sources* *This \$ should match the total Project Costs above.	\$18.5 m

2. Public Sector Sources:

Identify each public sector source of funding:	Amount of Public Sector Funding*
USDA	\$ 3.6 m
Empire State Development	\$ 3.6 m

*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:

GNCU \$10 M

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?

\$ 6 million

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:

15 year manufacturing sector

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 checked="" type="checkbox"/>	Real Property Tax Abatement (PILOT)	TBA
<input checked="" type="checkbox"/>	Mortgage Recording Tax Exemption**	\$ 75,000
<input checked="" type="checkbox"/>	Sales and Use Tax Exemption (\$4% Local, 4.125% State of total amount listed above in III(2))	\$ 487,500
<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.

REPRESENTATIONS & AFFIRMATIONS BY THE APPLICANT

I hereby represent and warrant that I am [the CEO of the company/applicant] or [a person authorized to bind the company/applicant] 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 mh
- 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 mh
- 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 mh
- 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 mh
- 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 mh
- 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 mh
- 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 mh
- 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 mh
- 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 mh

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 mh

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 mh

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 mh

I am the CEO or 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

Mack Bros. Ltd.

Signature of Officer or Authorized Representative

Name & Title of Officer or Authorized Representative

Martin Hoffman

Date

8-4-2022

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

Mack Bros. Ltd.

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

Name & Title of Officer or Authorized Representative

President

Date

8-4-2022

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

Agency Board Members

1. **Mike Torelli**
2. Dean Tamburri
3. Vincent Odock
4. James Rinaldi
5. Susan Walski

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:

Authorized Representative:

Title:

Date:

ORANGE COUNTY INDUSTRIAL DEVELOPMENT

AGENCY APPLICATION

VERIFICATION

STATE OF New York)
) SS.:
COUNTY OF Orange)

Martin Hoffman, deposes and says that s/he is the
(Name of Individual)
President of Mack Bros., Ltd.
(Title) (Applicant Name)

that s/he is the CEO or 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.

[Signature]
Applicant Representative's Signature

President
Title

Subscribed and sworn to before me this

4 day of August, 2022

[Signature]
Notary Public

DEBORAH MANFREDONIA
NOTARY PUBLIC, STATE OF NEW YORK
Registration No. 01MA6116082
Qualified in Orange County

My Commission Expires: 9-30-2024

This Application should be submitted to:

Orange County Industrial Development Agency
c/o Michael Torelli, Chairman
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

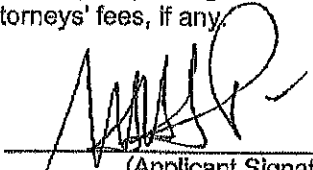
Transaction Counsel
SUSAN R. KATZOFF
Bousquet Holstein LLC
110 West Fayette Street
One Lincoln Center, Suite 1000
Syracuse, New York 13202-1190
Tel: 315.701.6303
Fax: 315.410.1557



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: Martin Hoffman
Name: Mack Bros, Ltd
Title: President


(Notary Public)

Sworn to before me this 4th day

[stamp]

of August, 2022