



County of Rockland IDA

Application for Financial Assistance



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COUNTY OF ROCKLAND INDUSTRIAL DEVELOPMENT AGENCY

STRAIGHT-LEASE TRANSACTION FEE SCHEDULE

AGENCY PROJECT FEES

A. Application Fee: \$750.00 due at time of application submission. Non-refundable.

B. Project Commitment Fee:

- Agency Fee: Due with fully executed Inducement Resolution. Non-refundable. Commitment Fee is 10% of the total estimated closing fee, not less than \$2,500 nor more than \$5,000. Amount is applied to Closing Fee.
- Counsel Fee: Due with fully executed Inducement Resolution. Non-refundable. Commitment Fee is 10% of the total estimated closing fee, not less than \$2,500 nor more than \$5,000. Amount is applied to Closing Fee.

C. Closing Fee:

i. For Sales Tax Exemption benefit:

- Up to \$4 million: ½% of cost of the project subject to sales tax.
- In excess of \$4 million: ¼% of cost of the project subject to sales tax.

ii. For Mortgage Recording Tax Exemption benefit:

- 1/10% of the value of the mortgage.

iii. Counsel Fee: Base \$2,500 fee, plus ½% on the first \$500,000; and ¼% thereafter on the portion of the project receiving the benefit. [Note: See sample modification in attached memorandum.]

Note: Minimum closing fee: \$2,500.

With respect to the each element of the Closing Fee set forth above, the portion of the Agency Fee applicable to the applicable element or elements shall be due upon execution and delivery of the documentation creating the applicable benefit.

iv. Agency Fee Schedule For PILOT Agreements

The County of Rockland Industrial Development Agency will impose a fee for all Payment In Lieu Of Tax Agreements (PILOT Agreements) provided by the Agency. The fee schedule is as follows:

- For PILOT Agreements in which the Total Gross Benefit is up to \$250,000, a fee of 1% of the Total Gross Benefit will be charged;
- For PILOT Agreements in which the Total Gross Benefit is between \$250,001 and \$1,000,000, an additional fee of 2% of the Total Gross Benefit between \$250,001 and \$1,000,000 will be charged.
- For PILOT Agreements exceeding a Total Gross Benefit of \$1,000,000, an additional fee of 3% of the Total Gross Benefit above \$1,000,000 will be charged.



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Determining the total gross benefit:

- The “Total Gross Benefit” will be determined by first calculating the total of all of the real estate taxes paid or billed for the property for the year the project closes (the “Base Year”).
- The Total Gross Benefit will then be calculated by determining the difference between what the applicant paid in property taxes for the Base Year and what the applicant thereafter pays in real estate taxes for each year thereafter, for the entire term of the PILOT Agreement benefits, as approved by the participating taxing entities. [Note: See proposed revisions in accompanying memo.]

With respect to each element of the Closing Fee set forth above, the portion of the Agency Fee (and related Agency counsel fee) applicable to the applicable element or elements shall be due upon execution and delivery of the documentation creating the applicable benefit.

ANNUAL COMPLIANCE FEE

The Annual Compliance Fee will be the same for all active projects of the Agency. The amount is \$500.

Annual compliance requirements include: Proof of insurance; proof of PILOT payments; copy of ST340 sales tax exemption form; status of job creation and retention; and, any additional data that may be required by the New York State Comptroller.

The first payment of the compliance fee will be due at closing; for succeeding years, February 20th will be the due date.

The annual compliance fee does not include fees that the Applicant may be required to pay to an independent third party auditor for monitoring compliance with Prevailing Wage Requirements or Local Labor Requirements, whichever is applicable.

The Agency reserves the right to adjust the Annual Compliance Fee from time to time.

THIRD PARTY PROJECT MONITORING FEES

The Agency will retain an independent third party to review compliance by the Applicant with the Prevailing Wage Requirements or the Local Labor Requirements, whichever is applicable. The Applicant shall be responsible for the fees and expenses of such independent third party relating to the foregoing monitoring responsibilities. The Agency currently retains Loewke Brill Consulting Group, Inc. as its independent third party expert to review Applicant compliance with the Agency’s Local Construction Labor Policy and Construction Prevailing Wage Policy. Information relating to this monitoring program may be obtained upon request from the Agency.



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COUNTY OF ROCKLAND INDUSTRIAL DEVELOPMENT AGENCY

BOND TRANSACTION FEE SCHEDULE

AGENCY PROJECT FEES

A. Application Fee: \$750.00 due at time of application submission. Non-refundable.

B. Project Commitment Fee:

- Agency Fee: Due with fully executed Inducement Resolution. Non-refundable. Commitment Fee is 10% of the total estimated closing fee, not less than \$2,500 nor more than \$5,000. Amount is applied to Closing Fee.
- Counsel Fee: Due with fully executed Inducement Resolution. Non-refundable. Commitment Fee is 10% of the total estimated closing fee, not less than \$2,500 nor more than \$5,000. Amount is applied to Closing Fee.

C. Closing Fee:

i. For Tax Exempt Bonds:

- Up to and including \$2 million: 1.0 % of the principal amount of the bonds.
- On the next \$4 million: ½% of the principal amount of the bonds;
- Amounts over \$6 million: ¼% of the principal amount of the bonds over \$6 million.

Note: Minimum fee is \$10,000.

ii. For Taxable Bonds:

- ¼% of the principal amount of the bonds

Note: Minimum fee is \$10,000.

iii. For Sales Tax Exemption benefit:

- Up to \$4 million: ½% of cost of the project subject to sales tax.
- In excess of \$4 million: ¼% of cost of the project subject to sales tax.

iv. For Mortgage Recording Tax Exemption benefit:

- 1/10% of the value of the mortgage.

v. Agency Bond Counsel Fee (for benefits other than the issuance of bonds):

- Base \$2,500 fee, plus ½% on the first \$500,000; and ¼% thereafter on the portion of the project receiving benefit. [Note: See sample modification in attached memorandum.]

vi. Agency Bond Counsel Fees:

- With respect to the issuance of bonds, there will be a bond counsel fee based on the standard hourly billing rates of the Bond Counsel providing services, plus disbursements. Bond Counsel will provide monthly statements, if requested. Payment of fees and disbursements will be due at closing or upon abandonment of the financing.



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D. Statutory Mandated Bond Issuance Charge

Under State law, there is a statutory fee required for all bonds issued by the Agency, which is payable to the New York State Department of Taxation and Finance, which is calculated as follows:

<u>Principal Amount of Bonds Issued:</u>	<u>% charge:</u>
\$1,000,000 or less	.168%
\$1,000,001 to \$5,000,000	.336%
\$5,000,001 to \$10,000,000	.504%
\$10,000,001 to \$20,000,000	.672%
More than \$20,000,000	.84%

The County of Rockland Industrial Development Agency will impose a fee for all Payment In Lieu of Tax Agreements (PILOT Agreements) provided by the Agency. The fee schedule is as follows:

- For PILOT Agreements in which the Total Gross Benefit is up to \$250,000, a fee of 1% of the Total Gross Benefit will be charged;
- For PILOT Agreements in which the Total Gross Benefit is between \$250,001 and \$1,000,000, an additional fee of 2% of the Total Gross Benefit between \$250,000 and \$1,000,000 will be charged.
- For PILOT Agreements exceeding a Total Gross Benefit of \$1,000,000, an additional fee of 3% of the Total Gross Benefit above \$1,000,000 will be charged.

Determining the total gross benefit:

- The “Total Gross Benefit” will be determined by first calculating the total of all of the real estate taxes paid or billed for the property for the year the project closes (the “Base Year”).
- The Total Gross Benefit will then be calculated by determining the difference between what the applicant paid in property taxes for the Base Year and what the applicant thereafter pays in real estate taxes for each year thereafter, for the entire term of the PILOT, as approved by the participating taxing entities.

With respect to the portion of the Agency Fee allocable to the issuance of bonds, and the State’s Bond Issuance Charge, fees shall be payable at the financial closing.

With respect to each other element of the Closing Fee set forth above, the portion of the Agency Fee applicable to the applicable element or elements shall be due upon execution and delivery of the documentation creating the applicable benefit.

ANNUAL COMPLIANCE FEE

The Annual Compliance Fee will be the same as that annual fee that is required to be paid with respect to straight-lease transactions, and is set forth above..

THIRD PARTY PROJECT MONITORING FEES

The requirements for monitoring compliance with the Prevailing Wage Requirements or the Local Labor Requirements, whichever is applicable, are the same as those set forth above for straight-lease transactions set forth above.



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COMPLETENESS OF APPLICATIONS

An Application must be deemed complete by the Agency before the Agency will take any action with respect to the proposed project and financial assistance being requested.

In order to be complete, an Application must include the following upon submission:

1. Signed and notarized Application (page 22 of Application)
2. If a Payment in Lieu of Taxes Agreement is being requested, a signed copy of Appendix A (Payment in Lieu of Tax Agreement (PILOT) Policies & Process Guidelines).
3. Signed acknowledgment of having read and agreed to each of the Agency's Local Construction Labor Policy and Construction Prevailing Wage Policy in Appendix B. (Note: a separate acknowledgment is required for each policy.)
4. Completed and signed worksheet relating to all construction work for which the Applicant has requested such work be "paid for in whole or in part out of public funds". Such term is defined in the Construction Prevailing Wage Policy included in Appendix B and the form of worksheet is included at the end of Appendix B.
5. Completed Appendix D (Environmental Assessment Form).
6. Check or other form of payment of Agency Application Fee in the amount of \$750.00.

The sufficiency of the information included in the Application shall be determined in the sole discretion of the Agency, and upon a request by the Agency for further information, the Application will not be deemed complete until such time as the requested information has been provided to the Agency.

ATTENTION APPLICANTS:

- *For legislation re: Agency projects and compliance requirements see the Authorities Budget Office at: abo.ny.gov*
- *For information on the County of Rockland Industrial Development Agency Meetings and Minutes, Members and Committees, Policies and Bylaws, Uniform Tax-Exempt Policy and Annual Reports, see: rocklandida.com*
- *In accordance with NYS General Municipal Law and ABO guidelines, effective Jan. 1, 2019, all completed Applications, Project Agreements and Project Resolutions will be posted on the Agency website.*

Section I: Applicant Information

Please answer all questions. Where necessary, please use “None” or “Not Applicable”. Please attach additional documents if more space is needed to answer a question than provided.

A) Applicant Information-company receiving benefit:

Applicant Name: _____

Applicant Address: _____

Phone: _____ Fax: _____

Website: _____ E-mail: _____

Federal ID#: _____ NAICS: _____

State and Year or Incorporation/Organization: _____

Will a Real Estate Holding Company be utilized to own the Project property/facility? Yes or No

If so, what is the name of the Real Estate Holding Company? _____

Federal ID#: _____

State and Year or Incorporation/Organization: _____

B) Individual Completing Application:

Name: _____

Title: _____

Address: _____

Phone: _____

E-Mail: _____

C) Company Contact (if different from individual completing application):

Name: _____

Title: _____

Address: _____

Phone: _____

Fax: _____

E-Mail: _____

D) Company Counsel:

Name of Attorney: _____

Firm Name: _____

Address: _____

Phone: _____

Fax: _____

E-mail: _____

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

1. Exemption from Sales Tax Yes or No
2. Exemption from Mortgage Tax Yes or No
3. Payment in Lieu of Taxes (PILOT) Yes or No
4. Tax Exempt Bond Financing Yes or No

F) Business Organization (check appropriate category):

- | | | | |
|---------------------|--------------------------|---------------------------|--------------------------|
| Corporation | <input type="checkbox"/> | Partnership | <input type="checkbox"/> |
| Public Corporation | <input type="checkbox"/> | Joint Venture | <input type="checkbox"/> |
| Sole Proprietorship | <input type="checkbox"/> | Limited Liability Company | <input type="checkbox"/> |

Other (please specify) _____

Year Established: _____

State in which Organization is established: _____

G) List all stockholders, members, or partners with % of ownership greater than 20% (include Real Estate Holding Company information, if applicable):

<u>Name</u>	Refer to Exhibit G - Stockholders.	<u>% of ownership</u>
_____		_____
_____		_____
_____		_____

H) Applicant Business Description:

Describe in detail company background, products, customers, goods, and services. Description is critical in determining eligibility (Attach document, if necessary): _____

Estimated % of sales within County/City/Town/Village: _____

Estimated % of sales outside County/City/Town/Village, but within New York State: _____

Estimated % of sales outside New York State but within the U.S.: _____

Estimated % of sales outside the U.S. _____

Note: Total percentage above need to equal 100%.

Section II: Project Description & Details

A) Project Location:

Municipality or Municipalities of current operations (indicate N/A if this is a startup business or project):

Will the Proposed Project be located within the Municipality, or within a Municipality, identified above?

Yes or No

If yes, in which Municipality will the proposed project be located: _____

If No, in which Municipality will the proposed project be located: _____

Provide the Property Address(es) of the proposed Project:

Will the completion of the Project result in the removal of an industrial or manufacturing plant (or other operating facility) 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?

Yes or No

If the Proposed Project is located in a different Municipality than the Municipality in which current operations are being undertaken, is it expected that any of the facilities in any other Municipality will be closed or be subject to reduced activity?

Yes or No

If yes, you will need to complete Section II (Q) and Section IV of this Application.

SBL Number for Property upon which proposed Project will be located: _____

What are the current real estate taxes on the proposed Project Site? _____

If amount of current taxes is not available, provide assessed value for each:

Land: \$_____ Buildings(s): \$_____

Please include a copy of the most current tax bill.

Are Real Property Taxes current? Yes or No. If no, please explain _____

Town/City/Village: _____ School District: _____

Does the Applicant or any related entity currently hold fee title to the Project site? Yes or No

If No, indicate name of present owner of the Project Site: _____

Does Applicant or related entity have an option/contract to purchase the Project site? Yes or No

Describe the present use of the proposed Project site: _____

B) Please provide narrative of the proposed project and its purpose (new build, renovations, and/or equipment purchases). Identify specific uses occurring within the project. Describe any and all tenants and any/all end users: *(This information is critical in determining project eligibility)*: _____

Describe the reasons why the Agency's Financial Assistance is necessary, and the effect the Project will have on the Applicant's business or operations. Focus on competitiveness issues, project shortfalls, etc. Your eligibility determination will be based in part on your answer *(attach additional pages if necessary)*: _____

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

Yes or No

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

If the Applicant is unable to obtain Financial Assistance for the Project, what will be the impact on the Applicant and County/City/Town/Village? _____

C) Will the Project include leasing any equipment? Yes or No

If yes, please describe: _____

D) Site Characteristics:

Will the Project meet zoning/land use requirements at the proposed location? Yes or No

Describe the present zoning/land use: _____

Describe required zoning/land use, if different: _____

If a change in zoning/land use is required, please provide details/status of any request for change of zoning/land use requirements: _____

Is the proposed project located on a site where the known or potential presence of contaminants is complicating the development/use of the property? If yes, please explain: _____

E) Has a Phase I Environmental Assessment been prepared or will one be prepared with respect to the proposed project site? Yes or No If yes, please provide a copy.

F) Have any other studies or assessments been undertaken with respect to the proposed project site that indicate the known or suspected presence of contamination that would complicate the site's development?

Yes or No. If yes, please provide copies of the study

G) Provide any additional relevant information or details: _____

H) Select Project Type for all end users at the project site (*you may check more than one*):

Industrial Back Office

Acquisition of Existing Facility Retail

Housing Mixed Use

Equipment Purchase Facility for Aging

Multi-Tenant

Commercial Other _____

Will customers personally visit the Project site for either purchasing or receiving goods and/or services activities?

Yes or No

If yes, with respect to either economic activity, the Retail Questionnaire contained in Section III of the

Application must be completed.

Note: For purposes of the question, the term “retail sales” means (i) sales by a registered vendor under Article 28 of the Tax Law of the State of New York (the “Tax Law”) primarily engaged in the retail sale of tangible personal property (as defined in Section 1101(b)(4)(i) of the Tax Law), or (ii) sales of a service to customers who personally visit the Project.

I) Project Information:

Estimated costs in connection with Project:

- | | |
|---|-----------------|
| 1. Land and/or Building Acquisition: | \$ _____ |
| _____ acres _____ square feet | |
| 2. New Building Construction: _____ square feet | \$ _____ |
| 3. New Building Addition(s): _____ square feet | \$ _____ |
| 4. Infrastructure Work | \$ _____ |
| 5. Reconstruction/Renovation: _____ square feet | \$ _____ |
| 6. Manufacturing Equipment: | \$ _____ |
| 7. Non-Manufacturing Equipment (furniture, fixtures, etc.): | \$ _____ |
| 8. Soft Costs: (professional services, etc.): | \$ _____ |
| 9. OTHER: specify: _____ | \$ _____ |
| TOTAL Capital Costs: | \$ _____ |

Project refinancing; estimated amount

(For refinancing of existing debt only) \$ _____

Sources of Funds for Project Costs:

- | | |
|--|----------|
| Bank Financing: | \$ _____ |
| Equity (excluding equity that is attributed to grants/tax credits) | \$ _____ |
| Tax Exempt Bond Issuance (if applicable) | \$ _____ |
| Taxable Bond Issuance (if applicable) | \$ _____ |
| Public Sources (Include sum total of all state and federal grants and tax credits) | |
| Tax Credit Equity | \$ _____ |

Taxable bonds may be utilized in financing, although in this application assumed in Bank Financing total.

Identify each state and federal grant/credit:

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

TOTAL Sources of Funds for Project Costs: \$ _____

Have any of the above costs been paid or incurred as of the date of this Application? Yes or No

If yes, describe particulars: _____

Estimate of Tax Exemption Benefit:

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

Mortgage Amount (include sum total of construction/permanent/bridge financing): \$ _____

Estimated Mortgage Recording Tax Exemption Benefit (product of mortgage amount as indicated above multiplied by 1.05%): \$ _____

Sales and Use Tax: Gross amount of costs for goods and services that are subject to State and local Sales and Use tax - said amount to benefit from the Agency's Sales and Use Tax exemption benefit: \$ _____

Estimated State and local Sales and Use Tax Benefit (product of 8.375% multiplied by the figure, above): \$ _____

Note that the estimate above will be provided to the New York State Department of Taxation and Finance. The Applicant acknowledges that the transaction documents may include a covenant by the Applicant to undertake the total amount of investment as proposed within this Application, and that the estimate, above, represents the maximum amount of sales and use tax benefit that the Agency may authorize with respect to this Application. The Agency may utilize the estimate, above, as well as the proposed total Project Costs as contained within this Application, to determine the Financial Assistance that will be offered.

Real Property Tax Benefit:

If seeking a PILOT agreement via the Rockland Agency, please see **ATTACHMENT A – PAYMENT IN LIEU OF TAX AGREEMENT (PILOT) POLICIES AND PROCESS GUIDELINES.**

Identify and describe if the Project will utilize a real property tax exemption **OTHER THAN** the Agency's PILOT benefit: _____

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 in Section II(I) of the Application.

J) What is your project timetable (Provide dates):

1. Start date: acquisition of equipment or construction of facilities: _____

2. Estimated completion date of project: _____

3. Project occupancy – estimated starting date of operations: _____

K) Have site plans been submitted to the appropriate planning department? Yes or No

Please provide the Agency with a copy of the related State Environmental Quality Review Act (“SEQR”) Environmental Assessment Form. Provide the Agency with the status of municipal planning department approval: _____

Has the Project received site plan approval? Yes or No.

If yes, please provide the Agency with a copy of the planning department approval along with the related SEQR determination.

L) Is the project necessary to expand project employment: Yes or No

Is project necessary to retain existing employment: Yes or No

M) Employment Plan (Specific to the proposed project location):

	Current # of jobs at proposed project location or to be relocated at 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	Labor Market Area – Mid-Hudson Region
Full time (FTE)				
Part Time (PTE)				
Total				

NOTE: The Labor Market Area includes the County/City/Town/Village where the Project will be located as well as the Counties in the Mid-Hudson Region of New York State.

Salary and Fringe Benefits for Jobs to be Retained and Created:

Category of Jobs to be Retained and Created	Number of employees in each role		Average Salary or Range of Salary FTE only	Average Fringe Benefits or Range of Fringe Benefits FTE only
	FULL TIME	PART TIME		
Management				
Professional				
Administrative				
Production				
Independent Contractor				
Other				

Employment at other locations in the county (provide address and number of employees at each location):

	Address	Total # of Employees
Full time		
Part Time		

N) Will any of the facilities described above be closed or subject to reduced activity? Yes or No

O) Is the project reasonably necessary to prevent the project occupant from moving out of New York State?
 Yes or No.

If yes, please explain and identify out-of-state locations investigated, type of assistance offered and provide supporting documentation if available: _____

P) What competitive factors led you to inquire about sites outside of New York State? _____

Q) Have you contacted or been contacted by other Local, State and/or Federal Economic Development Agencies?

Yes or No.

If yes, please identify which agencies and what other Local, State and/or Federal assistance and the assistance sought and dollar amount that is anticipated to be received: _____

Section III Retail Questionnaire

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

Please answer the following:

- A. Will any portion of the project (including that portion of the cost to be financed from equity or other sources) consist of facilities or property that are or will be primarily used in making sales of goods or services to customers who personally visit the project site?

Yes or No. If the answer is yes, please continue. If no, proceed to Section IV.

For purposes of Question A, the term “retail sales” means (i) sales by a registered vendor under Article 28 of the Tax Law of the State of New York (the “Tax Law”) primarily engaged in the retail sale of tangible personal property (as defined in Section 1101(b)(4)(i) of the Tax Law), or (ii) sales of a service to customers who personally visit the Project.

- 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? _____ %.

If the answer above is less than 33% do not complete the remainder of the retail determination and proceed to Section IV.

If the answer to A is Yes **AND** the answer to Question B is greater than **33.33%**, indicate which of the following questions below apply to the project:

1. Will the project be operated by a not-for-profit corporation Yes or No.

2. Is the Project location or facility likely to attract a significant number of visitors from outside the economic development region (list specific County or Economic development region) in which the project will be located?

Yes or No

If yes, please provide a third-party market analysis or other documentation supporting your response.

3. Is the predominant purpose of the project to make available goods or services which would not, but for the project, be reasonably accessible to the residents of the municipality within which the proposed project would be located because of a lack of reasonably accessible retail trade facilities offering such goods or services?

Yes or No

If yes, please provide a third-party market analysis or other documentation supporting your response.

4. Will the project preserve permanent, private sector jobs or increase the overall number of permanent, private sector jobs in the State of New York?

Yes or No.

If yes, explain: _____

Is the project located in a documented Economically Distressed Area? Yes or No

Will the Project 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? Yes or No

Will the Project result in the abandonment of one or more plants or facilities of the Project occupant located within the state? Yes or No

If the answer is **Yes** to either of the previous two questions, 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: _____

Does the Project involve the relocation or consolidation of a project occupant from another municipality?

Within New York State Yes or No

Within County/City/Town/Village Yes or No

If yes to either question, please, explain: _____

Section IV Representations, Certifications, and Indemnification

This section of the application should be completed upon the applicant receiving confirmation from the Agency that sections I-III are satisfactorily completed.

_____ (name of CEO or other authorized representative of Applicant) confirms and says that he/she is the _____ (title) of _____ (name of corporation or other entity) named in the attached Application (the "Applicant"), that he/she has read the foregoing Application and knows the contents thereof, and hereby represents, understands, and otherwise agrees with the Agency and 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 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 Project will 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 Entities") 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 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 JTPA programs who shall be referred by the JTPA Entities for new employment opportunities created as a result of the Project.
- C. **Annual Sales Tax Filings:** In accordance with Section 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, 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. Copies of all filings shall be provided to the Agency.
- D. **Employment Reports:** The Applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, the Applicant agrees to file, or cause to be filed, with the Agency, at least annually or as otherwise required by the Agency, reports regarding the number of people employed at the project site, salary levels, contractor utilization and such other information (collectively, "Employment Reports") that may be required from time to time on such appropriate forms as designated by the Agency. Failure to provide Employment Reports within 30 days of an Agency request shall be an Event of Default under the PILOT Agreement between the Agency and Applicant and, if applicable, an Event of Default under the Project Agreement between the Agency and Applicant. In addition, a Notice of Failure to provide the Agency with an Employment Report may be reported to Agency board members, said report being an agenda item subject to the Open Meetings Law.
- E. The Applicant acknowledges that certain environmental representations will be required at closing. The Applicant shall provide with this Representation, Certification and Indemnification Form copies of any known environmental reports, including any existing Phase I Environmental Site Assessment Report(s) and/or Phase II Environmental Investigations. The Agency may require the Company and/or owner of the premises to prepare and submit an environmental assessment and audit report, including but not necessarily limited to, a Phase I Environmental Site Assessment Report and a Phase II Environmental Investigation, with respect to the Premises at the sole cost and expense of the owner and/or the

Applicant. All environmental assessment and audit reports shall be completed in accordance with ASTM Standard Practice E1527-05, and shall be conformed over to the Agency so that the Agency is authorized to use and rely on the reports. The Agency, however, does not adopt, ratify, confirm or assume any representation made within reports required herein.

- F. The Applicant and/or the owner, and their successors and assigns, hereby release, defend and indemnify the Agency from any and all suits, causes of action, litigations, damages, losses, liabilities, obligations, penalties, claims, demands, judgments, costs, disbursements, fees or expenses of any kind or nature whatsoever (including, without limitation, attorneys', consultants' and experts' fees) which may at any time be imposed upon, incurred by or asserted or awarded against the Agency, resulting from or arising out of any inquiries and/or environmental assessments, investigations and audits performed on behalf of the Applicant and/or the owner pursuant hereto, including the scope, level of detail, contents or accuracy of any environmental assessment, audit, inspection or investigation report completed hereunder and/or the selection of the environmental consultant, engineer or other qualified person to perform such assessments, investigations, and audits.
- G. Hold Harmless Provision: The Applicant acknowledges and agrees that the Applicant shall be and is responsible for all costs of the Agency incurred in connection with any actions required to be taken by the Agency in furtherance of the Application including the Agency's costs of general counsel and/or the Agency's bond/transaction counsel whether or not the Application, the proposed Project it describes, the attendant negotiations, or the issue of bonds or other transaction or agreement are ultimately ever carried to successful conclusion and 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: (i) the Agency's examination and processing of, and action pursuant to or upon, the Application, regardless of whether or not the Application or the proposed Project described herein or the tax exemptions and other assistance requested herein are favorably acted upon by the Agency; (ii) the Agency's acquisition, construction and/or installation of the proposed Project described herein; and (iii) any further action taken by the Agency with respect to the proposed Project including, without limiting the generality of the foregoing, all causes of action and attorney's fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. Applicant hereby understands and agrees, in accordance with Section 875(3) of the New York General Municipal Law and the policies of the Agency that any New York State and local sales and use tax exemption claimed by the Applicant and approved by the Agency, any mortgage recording tax exemption claimed by the Applicant and approved by the Agency, and/or any real property tax abatement claimed by the Applicant and approved by the Agency, in connection with the Project, may be subject to recapture and/or termination by the Agency under such terms and conditions as will be established by the Agency and set forth in transaction documents to be entered into by and between the Agency and the Applicant. The Applicant further represents and warrants that the information contained in this Application, including without limitation information regarding the amount of the New York State and local sales and use tax exemption benefit, the amount of the mortgage recording tax exemption benefit, and the amount of the real property tax abatement, if and as applicable, to the best of the Applicant's knowledge, is true, accurate and complete.
- H. This obligation includes an obligation to submit an Agency Fee Payment to the Agency in accordance with the Agency Fee policy and schedule effective as of the date of this Application. (*See Fee Schedule at the front of the Application.*)
- I. By executing and submitting this Application, the Applicant covenants and agrees to pay the following fees to the Agency and the Agency's general counsel and/or the Agency's bond/transaction counsel, the same to be paid at the times indicated:
- (i) a non-refundable application and publication fee of \$750.00 (the "Application Fee");
 - (ii) All fees, costs and expenses incurred by the Agency for (1) legal services, including but not limited to those provided by the Agency's general counsel and/or the Agency's bond/transaction counsel, thus note that the Applicant is entitled to receive a written estimate of fees and costs of the Agency's general counsel and the Agency's bond/transaction counsel; and (2) other consultants

retained by the Agency in connection with the proposed project, with all such charges to be paid by the Applicant at the closing.

- J. If the Applicant fails to conclude or consummate the 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 Applicant is unable to find buyers willing to purchase the bond issue requested, or if the Applicant is unable to facilitate the sale/leaseback or lease/leaseback transaction, then, upon the presentation of an invoice, Applicant shall pay to the Agency, its agents, or assigns all actual costs incurred by the Agency in furtherance of the Application, up to that date and time, including but not necessarily limited to, fees of the Agency's general counsel and/or the Agency's bond/transaction counsel.
- K. The Applicant acknowledges and agrees that all payment liabilities to the Agency and the Agency's general counsel and/or the Agency's bond and/or transaction counsel as expressed in Sections H and I are obligations that are not dependent on final documentation of the transaction contemplated by this Application.
- L. The cost incurred by the Agency and paid by the Applicant, the Agency's general counsel and/or bond/transaction counsel fees and the processing fees, may be considered as a cost of the Project and included in the financing of costs of the proposed Project, except as limited by the applicable provisions of the Internal Revenue Code with respect to tax-exempt bond financing.
- M. The Applicant acknowledges that the Agency is subject to New York State's Freedom of Information Law (FOIL). **Applicant understands that all Project information and records related to this application are potentially subject to disclosure under FOIL subject to limited statutory exclusions.**
- N. The Applicant acknowledges that it has been provided with a copy of the Agency's Policy for Termination of Agency Benefits and Recapture of Agency Benefits Previously Granted (the "Termination and Recapture Policy"). The Applicant covenants and agrees that it fully understands that the Termination and Recapture Policy is applicable to the Project that is the subject of this Application, and that the Agency will implement the Termination and Recapture Policy if and when it is so required to do so. The Applicant further covenants and agrees that its Project is potentially subject to termination of Agency financial assistance and/or recapture of Agency financial assistance so provided and/or previously granted.
- O. The Applicant understands and agrees that the provisions of Section 862(1) of the New York General Municipal Law, as provided below, will not be violated if Financial Assistance is provided for the proposed Project:
- § 862. Restrictions on funds of the agency. (1) No funds of the agency shall be used in respect of any project if the completion thereof would result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state, provided, however, that neither restriction shall apply if the agency shall determine on the basis of the application before it that the project is reasonably necessary to discourage the project occupant from removing such other plant or facility to a location outside the state or is reasonably necessary to preserve the competitive position of the project occupant in its respective industry.
- P. 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.
- Q. 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.

- R. The Applicant confirms and hereby acknowledges that as of the date of this Application, the Applicant is in substantial compliance with all provisions of Article 18-A of the New York General Municipal Law, including, but not limited to, the provision of Section 859-a and Section 862(1) of the New York General Municipal Law.
- S. The Applicant and the individual executing this Application on behalf of Applicant acknowledge that the Agency and its counsel will rely on the representations and covenants 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~~ Pennsylvania
COUNTY OF Philadelphia) ss.:

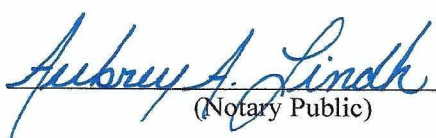
Timothy Henkel, being first duly sworn, deposes and says:

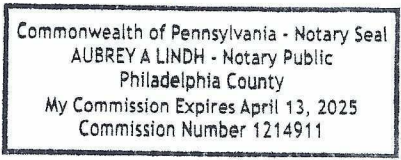
- 1. That I am the President (Corporate Office) of Pennrose, LLC (Applicant) and that I am duly authorized on behalf of the Applicant to bind the Applicant.
- 2. That I have read the attached Application, INCLUDING the Labor Policy and PILOT Guideline, I know the contents thereof, and that to the best of my knowledge and belief, this Application and the contents of this Application are true, accurate and complete.


(Signature of Officer)

Subscribed and affirmed to me under penalties of perjury

this 13 day of September, 2023


(Notary Public)



APPENDIX A

Payment In Lieu of Tax Agreement (PILOT)

Policies & Process Guidelines

A Payment In Lieu of Tax Agreement (PILOT) is a negotiated tax abatement or structured property tax schedule which may be obtained under the authority of the Agency. (Please see the Agency's Uniform Tax Exemption Policy for more detail regarding Agency real property tax abatements and other incentives at www.rocklandida.com.)

Unlike many industrial development agencies, the Rockland Agency *does not* have the authority to impose a PILOT, or any type of property tax abatement or condition, on the local taxing jurisdictions. Further, it is at the sole discretion of the local taxing jurisdictions to participate or not.

However, the Rockland Agency *does* have the authority to facilitate and implement a PILOT should the project applicant and taxing jurisdictions agree to the terms and structure of a property tax agreement.

Given the above, the Agency does not either advocate for or against a PILOT. As such, it is the sole responsibility of the Agency project applicant to determine if the involved tax jurisdictions choose to participate in a PILOT agreement and then negotiate the terms of the agreement.

To assist Agency project applicants in the PILOT process, however, the following guidelines are provided:

- Provided the project is eligible for consideration to receive Agency incentives, the applicant must indicate “yes” or “no” that a PILOT is requested on the Agency’s “Application For Financial Incentives”, Section D, Page I-5.
- If the project is eligible for consideration, the Agency board will consider an Inducement Resolution that authorizes the applicant to request and negotiate a PILOT with the local taxing jurisdictions.
- Taxing jurisdictions eligible to participate in a PILOT include the town in which the project is located, the affected village (if applicable), and the affected school district. The County does not participate in PILOTs (unless the project has a unique County-wide impact). The Agency can assist in identifying the affected taxing entities and the individuals from the taxing jurisdictions that should be contacted regarding a proposed PILOT.
- The first step in the PILOT process is arranging an (informal) meeting with all the taxing jurisdictions, the Agency, and the applicant so a discussion can be held regarding the applicability of a PILOT and what structure may be considered. It is recommended that this meeting take place following Agency inducement (which confirms the project’s eligibility for incentives and a PILOT).
- While the Agency Executive Director can assist in arranging this first meeting, it is ultimately the responsibility of the applicant. It is recommended that the meeting include representatives from all the taxing jurisdictions and the Agency.
- Each PILOT structure is unique. As such, each PILOT – if agreeable to the taxing jurisdictions – reflects a negotiated structure that addresses the financial need of the applicant, while meeting the economic development objectives of the taxing jurisdictions and the Agency.
- A strong, stable tax ratable base and revenue predictability are often key objectives of the taxing jurisdictions. It is recommended that the applicant recognize and address both of these elements when proposing a property tax structure. While the applicant is responsible for proposing and negotiating a PILOT, the Agency and town assessors are often resources that can assist in providing historical references of similar project PILOTs, current assessed value of the site, etc.
- Special Note: Taxing jurisdictions will not formally consider a PILOT that involves a property that has a pending tax grievance. While a PILOT may resolve issues involving a tax dispute, any pending grievance(s) must be withdrawn by the property owner prior to final PILOT approval.

- Each taxing jurisdiction has the individual choice to participate (or not) in a PILOT. It is not required that all taxing entities participate in a PILOT.
- If and when a PILOT is informally agreed to by the participating parties, the Agency counsel will prepare a draft agreement for review by all.
- A formal resolution for PILOT approval is required of all taxing jurisdictions. A copy of the resolution(s) must be provided to the Agency. It is the responsibility of the applicant to ensure the matter is formally considered and adopted by the involved taxing jurisdictions. While the County does not provide tax abatements (unless specifically included), the County does participate in the approval process, by both formal resolution and signing of agreements. The County will only consider approval after all the other local taxing jurisdictions have approving resolutions in place.
- It is important to note that the PILOT is not considered to be approved until all participating parties have passed approving resolutions and have signed a final PILOT agreement.
- Regardless of when a PILOT is formally approved, it will not go into effect until the next March 1 taxable status date.

As with each of its incentives, the Agency has a fee schedule for PILOTs. The applicant is required to pay all applicable fees upon project/PILOT closing. Please refer to the PILOT fee schedule at the beginning of this Application to determine applicable fees.

As a final note, because each Rockland Agency PILOT is unique, there is an inherent flexibility in the (informal) negotiating and meeting process. To this end, the Agency encourages the applicant to discuss the matter with the Agency Executive Director and Agency Counsel to ensure that the process is as effective and efficient as possible for all parties.

ACKNOWLEDGED AND AGREED TO:



Timothy Henkel, President

Applicant Name/Title

APPENDIX C

Adaptive Reuse Determination

(Adaptive Reuse is the process of adapting old structures or sites for new purposes)

Are you applying for a tax incentive under the Adaptive Reuse Program? Yes No

If YES, please answer the following:

A) What is the age of the structure (in years) _____

B) Has the structure been vacant or underutilized for a minimum of 3 years? (Underutilized is defined as a minimum of 50% of the rentable square footage of the structure being utilized for a use for which the structure was not designed or intended.) Yes No If yes, how many years? _____

C) Is the structure currently generating insignificant income? (Insignificant income is defined as income that is 50% or less than the market rate income average for that property class.) Yes No

If yes, please provide dollar amount of income being generated, if any \$ _____

D) Does the site have historical significance? Yes No

E) Are you applying for either state and/or federal Historical Tax Credit Programs? Yes No If yes, provide estimated value of tax credits \$ _____

F) Summarize the financial obstacles to development that this project faces without Agency or other public assistance. Please provide the Agency with documentation to support the financial obstacles to development (you will be asked to provide cash flow projections, documenting costs, expenses and revenues with and without Agency and other tax credits included indicating below average return on investment rates compared to regional industry averages):

G) Briefly summarize the demonstrated support that you intend to receive from local government entities. Please provide the Agency documentation of this support in the form of signed letters from these entities:

H) Please indicate other factors that you would like the Agency to consider such as: structure or site that presents significant public safety hazard and or environmental remediation costs, site or structure is located in distressed census tract, structure presents significant costs associated with building code compliance, site has historical significance, site or structure is presently delinquent in property tax payments:

APPENDIX D

Short Environmental Assessment Form Parts 1 - 3

Please go to NYS Department of Environmental Conservation's web site (http://www.dec.ny.gov/docs/permits_ej_operations_pdf/seafpartone.pdf) to download the most recent version of the Short Environmental Assessment Form. Fill out this form, print it, and attach to application.