

ONEIDA COUNTY INDUSTRIAL
DEVELOPMENT AGENCY



REQUEST TO AMEND PREVIOUSLY SUBMITTED APPLICATION FOR FINANCIAL ASSISTANCE

Oneida County Industrial Development Agency
584 Phoenix Drive
Rome, New York 13441-1405

(315) 338-0393 telephone
(315) 338-5694 fax

Shawna M. Papale, Executive Director

Please also deliver an electronic copy of all.

All applications must be submitted at least 10 days prior to meeting.

Project Number _____

Project Name Square One Expansion _____

Applicant Name Lloyd Ploof _____

Date of Original Submission 7/22/20 _____

Date of AMENDED Submission 3/15/21 _____

Reasons for Project AMENDMENT Request - Please explain in detail how and why you want to AMEND the original project application. Please explain any differences in scope of original application (plans, costs, jobs, time-frame, etc.) Please use additional sheets if more space needed.

Cost for total project has exceeded original anticipated budgetary costs. We now have solid quotes for most of project. Square One has already spent over \$60,000 on this project. Also, price of steel is increasing dramatically.

Check all categories best describing the **scope of the project**:

- Acquisition of land
- Acquisition of existing building
- Renovations to existing building
- Construction of addition to existing building
- Demolition of existing building
- Construction of a new building
- Acquisition of machinery and/or equipment
- Installation of machinery and/or equipment
- Other (specify) _____

Please indicate the financial assistance requested of the Agency, and provide the estimated value of said assistance. Attach a sheet labeled "Proposed PILOT" that shows the annual utilization of the Real Property Tax Abatement by year. If there is no change in original PILOT request approved by the Agency, the PILOT section can be skipped.

	Original Value	Revised Value
<input type="checkbox"/> Payment In Lieu of Real Property Taxes (PILOT) _____ (Savings due to PILOT)	\$ 107,725	\$ 97,266
<input type="checkbox"/> Mortgage Tax Exemption (.75%) Amount of mortgage:	\$ 5,625 \$ 750,000	\$ 6,821 \$ 909,450
<input type="checkbox"/> Sales and Use Tax Exemption ** (8.75%) Value of goods/services to be exempted from sales tax:	\$ 32,812 \$ 375,000	\$ 39,788 \$ 454,725
Total:	\$ 146,162	\$ 143,875

Is the financial assistance requested by the Applicant consistent with the IDA's Uniform Tax Exemption Policy? Yes No

If no, please provide a written statement describing the financial assistance being requested and detailing the reasons the IDA should consider deviating from its Policy.

**** Note that the estimate provided above will be provided to the New York State Department of Taxation and Finance. The Applicant acknowledges that the transaction documents will include a covenant by the Applicant that the estimate, above, represents the maximum amount of sales and use tax benefit currently authorized by the Agency 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. It is the responsibility of the applicant to inform the IDA within 10 days if the project amount changes.**

REVISED BUDGET REQUEST

Part IX: Estimated Project Cost and Financing

11(a) List the costs necessary for preparing the facility.

	Original	Revised	Difference (Use minus symbol where applicable)
LAND Acquisition	\$		
Existing Building(s) ACQUISITION	\$		
Existing Building(s) RENOVATION	\$		
NEW Building(s) CONSTRUCTION	\$ 497,375 +	1,063,585	566,210
Site preparation/parking lot construction	\$ 119,750 +	0	-119,750
Machinery & Equipment that is TAXABLE	\$ 40,000	0	-40,000
Machinery & Equipment that is TAX-EXEMPT	\$		
Furniture & Fixtures	\$ 5,000	5,000	0
Installation costs	\$		
Architectural & Engineering	\$ 40,000	28,009	-11,991
Legal Fees (applicant, IDA, bank, other counsel)	\$ 7,000	20,000	13,000
Financial (all costs related to project financing)*	\$ 3,000	7,500	4,500
Permits (describe below)	\$ 1,000	2,500	1,500
Other (describe below)	\$		
Subtotal	\$ 713,125	1,126,594	413,469
Agency Fee ¹	\$ 5,000	5,633	633
Total Project Cost	\$ 718,125	1,132,227	414,102

* **Bank fees, title insurance, appraisals, interest, environmental reviews, etc.**

¹ **See Attached Fee Schedule (Page 25) for Agency Fee amount to be placed on this line.**

Permit Information

Construction permit, concrete and soil testing.

Other Information

REPRESENTATIONS AND CERTIFICATION BY APPLICANT

The undersigned requests that the attached materials be submitted as an amendment to the Applicant's original Application for Financial Assistance for review to the Oneida County Industrial Development Agency (the "Agency") and its Board of Directors.

Approval of the modifications to the Application can be granted solely by this Agency's Board of Directors. The Agency reserves the right to request Applicant complete a full Application for Financial Assistance if, after reviewing the attached materials, the Agency determines one is required to properly evaluate the Applicant's request. The undersigned acknowledges that Applicant shall be responsible for all costs incurred by the Agency and its counsel in connection with the attendant negotiations whether or not the transaction is carried to a successful conclusion.

The Applicant further understands and agrees with the Agency as follows:

- 1. Annual Sales Tax Filings.** In accordance with Section 858-b(2) of the New York General Municipal Law, the Applicant understands and agrees that, if the Project receives any sales tax exemptions as part of the Financial Assistance from the Agency, in accordance with Section 874(8) of the General Municipal Law, the Applicant agrees to file, or cause to be filed, with the New York State Department of Taxation and Finance, the annual form prescribed by the Department of Taxation and Finance, describing the value of all sales tax exemptions claimed by the Applicant and all consultants or subcontractors retained by the Applicant.
- 2. Annual Employment, Tax Exemption & Bond Status Reports.** The Applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, the Applicant agrees to file, or cause to be filed, with the Agency, on an annual basis, reports regarding the number of people employed at the project site as well as tax exemption benefits received with the action of the Agency. For Applicants not responding to the Agency's request for reports by the stated due date, a \$500 late fee will be charged to the Applicant for each 30-day period the report is late beyond the due date, up until the time the report is submitted. Failure to provide such reports as provided in the transaction documents will be an Event of Default under the Lease (or Leaseback) Agreement between the Agency and Applicant. In addition, a Notice of Failure to provide the Agency with an Annual Employment, Tax Exemption & Bond Status Report may be reported to the Agency board members, said report being an agenda item subject to the Open Meetings Law.
- 3. Absence of Conflict of Interest.** The Applicant has consulted the Agency website of the list of the Agency members, officers and employees of the Agency. No member, officer, or employee of the Agency has an interest, whether direct or indirect, in any transaction contemplated by this Application, except as herein after described (if none, state "none"):
- 4. Hold Harmless.** Applicant hereby releases the Agency and its members, officers, servants, agents and employees from, agrees that the Agency shall not be liable for and agrees to indemnify, defend and hold the Agency harmless from and against any and all liability arising from or expense incurred by (A) the Agency's examination and processing of, and action pursuant to or upon, the attached Application, regardless of whether or not the Application or the Project described therein or the tax exemptions and other assistance requested therein are favorably acted upon by the Agency, (B) the Agency's acquisition, construction and/or installation of the Project described therein and (C) any further action taken by the Agency with respect to the Project; including without limiting the generality of the foregoing, all causes of action and attorneys' fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. If, for any reason, the Applicant fails to conclude or consummate necessary negotiations, or fails, within a reasonable or specified period of time, to take reasonable, proper or requested action, or withdraws, abandons, cancels or neglects the Application, or if the Agency or the Applicant are unable to reach final

agreement with respect to the Project, then, and in the event, upon presentation of an invoice itemizing the same, the Applicant shall pay to the Agency, its agents or assigns, all costs incurred by the Agency in the processing of the Application, including attorneys' fees, if any.

5. The Applicant acknowledges that the Agency has disclosed that the actions and activities of the Agency are subject to the Public Authorities Accountability Act signed into law January 13, 2006 as Chapter 766 of the 2005 Laws of the State of New York.
6. The Applicant acknowledges that the Agency is subject to New York State's Freedom of Information Law (FOIL). **Applicant understands that all Project information and records related to this application are potentially subject to disclosure under FOIL subject to limited statutory exclusions.**
7. The Applicant acknowledges that it has been provided with a copy of the Agency's recapture policy (the "Recapture Policy"). The Applicant covenants and agrees that it fully understands that the Recapture Policy is applicable to the Project that is the subject of this Application, and that the Agency will implement the Recapture Policy if and when it is so required to do so. The Applicant further covenants and agrees that its Project is potentially subject to termination of Agency financial assistance and/or recapture of Agency financial assistance so provided and/or previously granted.
8. The Applicant understands and agrees that the provisions of Section 862(1) of the New York General Municipal Law, as provided below, will not be violated if Financial Assistance is provided for the proposed Project:

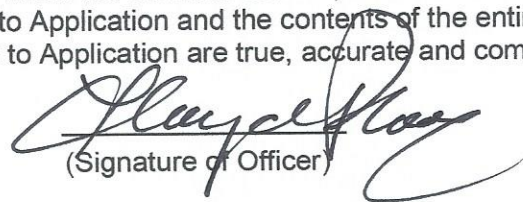
§ 862. Restrictions on funds of the agency. (1) No funds of the agency shall be used in respect of any project if the completion thereof would result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state, provided, however, that neither restriction shall apply if the agency shall determine on the basis of the application before it that the project is reasonably necessary to discourage the project occupant from removing such other plant or facility to a location outside the state or is reasonably necessary to preserve the competitive position of the project occupant in its respective industry.
9. The Applicant confirms and acknowledges that the owner, occupant, or operator receiving Financial Assistance for the proposed Project is in substantial compliance with applicable local, state and federal tax, worker protection and environmental laws, rules and regulations.
10. The Applicant confirms and acknowledges that the submission of any knowingly false or knowingly misleading information may lead to the immediate termination of any Financial Assistance and the reimbursement of an amount equal to all or part of any tax exemption claimed by reason of the Agency's involvement in the Project.
11. The Applicant confirms and hereby acknowledges that as of the date of this Application, the Applicant is in substantial compliance with all provisions of Article 18-A of the New York General Municipal Law, including, but not limited to, the provision of Section 859-a and Section 862(1) of the New York General Municipal Law.
12. The Applicant and the individual executing this Application on behalf of the Applicant acknowledge that the Agency will rely on the representations made herein when acting on this Application and hereby represent that the statements made herein do not contain any untrue statement of a material

fact and do not omit to state a material fact necessary to make the statements contained herein not misleading. **The Applicant has reviewed its original Application for Financial Assistance and confirms all information provided therein is true and correct, except as modified by the attached materials.**

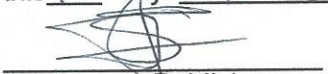
STATE OF NEW YORK)
COUNTY OF ONEIDA) ss.:

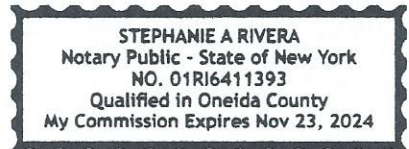
LLOYD PLOOF, being first duly sworn, deposes and says:

1. That I am the PRESIDENT (Corporate Officer) of Square One Coating Systems LLC (Applicant) and that I am duly authorized on behalf of the Applicant to bind the Applicant.
2. That I have read the attached Application, I know the contents thereof, and that to the best of my knowledge and belief, this Amendment to Application and the contents of the entire Application as modified by this Amendment to Application are true, accurate and complete.


(Signature of Officer)

Subscribed and affirmed to me under penalties of perjury this 19 day of March, 2021.


(Notary Public)



If the application has been completed by or in part by other than the person signing this application for the applicant please indicate who and in what capacity:

By: _____
Name: _____
Title: _____
Date: _____

Return the original signed and notarized application and two copies to: **Oneida County Industrial Development Agency (OCIDA)**, 584 Phoenix Drive, Rome, New York 13441-1405, Attn.: Shawna M. Papale, Executive Director. In addition, please send an electronic version of the application (signed), and SEQR form (signed), to spapale@mvedge.org.

ONEIDA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
COST/BENEFIT ANALYSIS
Required by §859-a(3) of the
New York General Municipal Law

Square One Expansion

19-Mar-21

Name of Applicant: SQ1 Holdings, LLC

Description of Project: Building Expansion & equipping

Name of All Sublessees or Other Occupants of Facility: Square One Coating Systems, LLC

Principals or Parent of Applicant: Lloyd Ploof, 100% owner of both applicant and occupant

Products or Services of Applicant to be produced or carried out at facility: Metal Finishing

Estimated Date of Completion of Project: Oct-21

Type of Financing/ Structure:

_____	Tax-Exempt Financing
_____	Taxable Financing
<u>X</u>	Sale/ Leaseback
_____	Other

Type of Benefits being Sought by Applicant:

_____	Taxable Financing
_____	Tax-Exempt Bonds
<u>X</u>	Sales Tax Exemption on Eligible Expenses Until Completion
<u>X</u>	Mortgage Recording Tax Abatement
<u>X</u>	Real Property Tax Abatement

Project Costs

Land Acquisition	\$ -
Existing Building(s) ACQUISITION	\$ -
Existing Building(S) RENOVATOIN	\$ -
NEW Building(s) CONSTRUCTION	\$ 1,063,585
Installation Costs	\$ -
Site Preparation/Parking Lot Construction	\$ -
Machinery & Equipment (other than furniture)	\$ -
Furniture & Fixtures	\$ 5,000
Architectural & Engineering	\$ 28,009
Legal Fees (applicant, IDA, bank, other counsel)	\$ 20,000
Financial (all costs related to project financing)	\$ 7,500
Permits	\$ 2,500
Other	\$ -
Agency Fee	\$ 5,633
TOTAL COST OF PROJECT	\$ 1,132,227

Soft costs associated with development & leasing

Assistance Provided by the Following:

EDGE Loan:	
MVEDD Loan:	
Grants - Please indicate source & Amount:	\$ -
Other Loans - Please indicate source & Amount:	

Company Information

Existing Jobs
Created Jobs FTE (over three years)
Retained Jobs

23
6
23

Average Salary of these Positions

\$	40,348
\$	32,000
\$	40,348

Earnings Information for Oneida County

Average Salary of Direct Jobs for Applicant
Average of County Indirect Jobs
Average of Construction Jobs

\$	40,348
\$	25,000
\$	32,000

Note: \$1,000,000 in construction expenditures generates 15 person - years of employment
Construction Person Years of Employment:

5

Calculation of Benefits (3 Year Period)

	Total Earnings	Revenues
Direct Jobs		
Created	\$ 726,264	\$ 30,866
Existing	\$ 2,784,012.00	\$ 118,320.51
Indirect Jobs		
Created	\$ 1,125,000	\$ 47,813
Existing	4312500	183281.25
Construction - only one year		
Person Years	\$ 170,174	\$ 7,232
TOTALS Calculation of Benefits (3 Yr Period)	\$ 9,117,950	\$ 387,513

TAXABLE GOODS & SERVICES

		Spending Rate	Expenditures	State & Local Sales Tax Revenues
Direct Jobs	Created	36%	\$ 261,455	\$ 25,492
	Existing	0.36	\$ 1,002,244.32	\$ 97,719
Indirect Jobs	Created	0.36	\$ 405,000	\$ 39,488
	Existing	0.36	\$ 1,552,500.00	\$ 151,369
Construction - only one year	Person Years	0.36	\$ 61,262	\$ 5,973
<u>TOTAL TAXABLE GOODS & SERVICES</u>			\$ 3,282,462	\$ 320,040

Local (3 year) real property tax benefit (assuming 60% of jobs existing and created own a residence) with an average assessment of \$80,000 and the remainder of jobs existing created pay real property taxes through rent based on an average assessment per apartment of \$50,000.

		Municipality	
Tax Rate for School District where facility is located:	\$ 31.496525	Oriskany	est.20-21
Tax Rate for Municipality where facility is located:	\$ 4.128002	Whitestown	2020
Tax Rate for County:	\$ 10.759860	Oneida	2020
	Total Rate:		46.384387
Real Property Taxes Paid:	\$ 91,470		

COSTS: IDA BENEFITS

Real Property Taxes Abatement	\$ 97,266
Mortgage Tax Abated (.75%)	\$ 6,821
Estimated Sales Tax Abated During Construction Period (8.75%)	\$ 39,788
Total:	\$ 143,875

NOTE: If there is a tax-exempt financing of all or a portion of the project cost, there is a neutral cost/benefit because of lower interest rates by reason of exclusion of interest from gross income of bondholders for purposes of Federal and State income taxes. Taxable financing carries the same cost/benefit for State Income Tax purposes. Such cost/benefits cannot be quantified.