
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

A non-refundable application fee of \$500.00 must be submitted at the time of application.

Please submit the original application and sixteen copies.

All applications must be submitted 10 days prior to meeting.

Griffiss Local Development Corporation Building 776 Property and Building 778 Property

Name of Applicant

Number (to be provided by the agency)

Note to Applicant:

The information requested by this form is necessary to determine the eligibility of your project for Agency benefits. Please answer **all** questions, inserting "none" or "not applicable" where appropriate. If you are providing an estimate, please indicate by inserting "est" after the figure. Attach additional sheets if more space is needed for a response than is provided.

Return the original application and sixteen copies with a check in the amount of \$500.00 made payable to: **Oneida County Industrial Development Agency**, 584 Phoenix Drive, Rome, New York 13441-1405, Attn.: Shawna M. Papale, Executive Director.

All information contained in this application will be treated confidentially, to the extent permitted by law. Be advised that any action brought before the OCIDA is public information. All agenda's for the OCIDA are issued prior to full agency meetings and posted in public domain

By signing and submitting this Application, the Applicant acknowledges that it received a copy of the Uniform Tax Exemption Policy adopted by the Agency and Agency Memorandums pertaining to the benefits of projects financed through the Agency.

A project financed through the Agency involves the preparation and execution of significant legal documents. Please consult with an attorney before signing any documents in connection with the proposed project.

Part I: Applicant Information

Note: In responding to the following questions, please keep in mind that the Applicant will be party to all of the documents and is the individual or entity which will receive the actual financial assistance from the Agency.

Applicant

- 1(a) Applicant's Legal Name: Griffiss Local Development Corporation
- 1(b) Principal Address: 584 Phoenix Drive
Rome, NY 13441
- 1(c) Telephone/Facsimile Numbers: Telephone: 315-338-0393; Fax: 315-338-5694
- 1(d) Email Address: sjdimeo@mvedge.org
- 1(e) Federal Identification Number: 16-1471446
- 1(f) Contact Person: Steven J. DiMeo, Authorized Representative
- 1(g) Is the Applicant a
- Corporation:
If yes, Public Private
If public, on which exchange is it listed?
 - Subchapter S
 - Sole Proprietorship
 - General Partnership
 - Limited Partnership
 - Limited Liability Corporation/Partnership
 - DISC
 - Other(specify) Not-For-Profit Local Development Corporation
- 1(h) State of Organization (if applicable): State of New York

Applicant's Stockholders, Directors and Officers (or Partners)

2(a) Provide the following information with respect to parties with 15% or more in equity holdings:

<u>Name</u>	<u>Home Address</u>	<u>Social Security No.</u>	<u>Percentage of Ownership</u>
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Applicant is a not-for-profit local development corporation exempt from Federal income taxation under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended. There are no parties who have "equity holdings" in Applicant. A list of Applicant's Directors and Officers, none of whom have "equity holdings" in Applicant, is attached hereto.

2(b) Is the Applicant, or any of the individuals listed in 2(a) above, related directly or indirectly to any other entity by more than 50% common ownership? If so, indicate name of such entity and the relationship.

N/A

2(c) Is the Applicant affiliated with any other entity, directly or indirectly, other than as listed in the response to 2(a) above? If yes, please indicate name and relationship of such other entity and the address thereof:

Applicant holds a 99.99% membership interest in Cardinal Griffiss Realty, LLC ("CGR"), a New York limited liability company. Therefore, CGR is a subsidiary of Applicant. CGR's address is 584 Phoenix Drive, Rome NY 13441. In addition, although it is not legally affiliated with Mohawk Valley EDGE, Mohawk Valley EDGE provides staff services to Applicant pursuant to a contract. Mohawk Valley EDGE's address is 584 Phoenix Drive, Rome NY 13441.

Applicant's Counsel and Accountant

3(a). Applicant's Attorney

Name/Title: Joseph E. Saunders , Esq.
Firm: Saunders Kahler, LLP
Address: 185 Genesee Street , Suite 1400
Utica, New York 13501-2194
Telephone/Fax: Telephone: (315) 733-0419
Fax: (315) 724-8522

3(b) Applicant's Accountant

Name/Title: Julianne Cardone
Firm: Mohawk Valley EDGE
Address: 584 Phoenix Drive
Rome, New York 13441
Telephone/Fax: Telephone: (315) 338-0393
Fax: (315) 338-5694

Business Description

4(a) Describe the nature of your business and principal products and/or services. Attach additional sheets if necessary.

The Applicant is the entity primarily responsible for the redevelopment of the former Griffiss Air Force Base ("Griffiss" or "Griffiss AFB"), including the Griffiss Business and Technology Park (the "Griffiss Business Park"). Applicant has been redeveloping Griffiss in accordance with the Master Reuse Strategy for Griffiss AFB prepared by Hamilton, Rabinowitz & Alschuler, Inc. and others circa 1995. Unlike other Griffiss businesses and/or tenants, to the extent that Applicant decides to invest its resources (including its earnings), it is obligated to do so in furtherance of its mission to redevelop Griffiss. Applicant's investment at Griffiss inures to the benefit not only of the other businesses and/or tenants at Griffiss, but also to the benefit of the affected tax jurisdictions, to wit: the City of Rome, the County of Oneida, and the Rome City School District.

For more information regarding Applicant, its organizational documents, its policies and procedures, and summaries of its redevelopment efforts at Griffiss, please visit Applicant's website at www.griffissltdc.org.

Part II: Project Information

5(a) Explain your project in detail. This description should include explanation of all activities which will occur due to this project. Attach additional sheets if necessary.

As noted above, Applicant is a not-for-profit local development corporation. Applicant's corporate purposes include promoting, facilitating and overseeing the redevelopment of the former Griffiss AFB. Applicant accomplishes this objective by, among other things, implementing a comprehensive redevelopment strategy and by maintaining, strengthening, and expanding the viability of the Federal Government's remaining assets at Griffiss including the Air Force Research Laboratory (AFRL), the Defense Finance Accounting Service (DFAS), and the Eastern Air Defense Sector (EADS). One of Applicant's principal redevelopment strategies is to facilitate the co-location of companies which form a part of the information technology/cyber-security cluster within the portion of the Griffiss Business Park known as "Technology Heights". This co-location strategy is specifically designed to leverage the assets of AFRL.

The Agency currently leases to Applicant various properties at Griffiss pursuant to "F Parcel" leases which have recently expired or are about to expire. Two of these "F Parcel" properties are known as the "Building 776 Property" and the "Building 778 Property", both of which are located within Technology Heights. The Building 776 Property consists of a 1.510+/- acre parcel of land (situate on the northerly side of Phoenix Drive) which is improved by a one-story, 28,092 +/- square foot building known as "Building 776 and a 0.958+/- acre parcel of land (situate on the southerly side of Phoenix Drive) improved by a parking lot. The Building 778 Property consists of 1.640+/- acre parcel of land (situate on the northerly side of Phoenix Drive) which is improved by a two-story, 20,534 +/- square foot building known as "Building 778." A map depicting the Building 776 Property and the Building 778 Property is attached hereto.

Building 776 and the 2nd Floor of Building 778 are currently occupied by ITT Dolphin Technology, LLC or its assignee ("ITT/Dolphin"), pursuant to a sub-lease which expires on January 31, 2015 (without any option to renew). The 1st Floor of Building 778 is currently occupied by ITT Corporation, pursuant to a sub-lease which expires on or about May 31, 2014 (without any option to renew). ITT Dolphin Technology, LLC and ITT Corporation being, collectively, the "ITT Companies". These ITT Companies are both engaged in business as defense contractors and private sector, cyber-security contractors. These are highly competitive, extremely cost-sensitive businesses, and the continued presence at Griffiss of the ITT Companies is thought to be contingent on their ability to maintain and/or secure future contracts, particularly government contracts ITT's ability to maintain and/or secure such future contracts is dependent on keeping various line item expenses under control, including rent.

Reasons for Project

6(a) Please explain in detail why you want to undertake this project.

The development of Class A office space at Griffiss is critical in order to meet the needs and opportunities of companies in the field of technology development (information technology, cyber security, software development and engineering). Led by the AFRL's Information Directorate in Rome and its \$284,358,928 annual economic impact on our local economy, the Mohawk Valley has developed a significant niche in the IT industry over the last half century. Companies find that the workforce and opportunities associated with the AFRL allow them opportunities for expansion at Griffiss and elsewhere within the Mohawk Valley. Without the availability of competitively-priced expansion space, companies would not be in the position to pursue additional business that would benefit operations in Rome.

Furthermore, companies located at Technology Heights (the location of Building 776 & Building 778) at Griffiss have contributed to the development of ancillary services and initiatives within the region. The establishment of the adjacent Griffiss Institute facility has resulted in the development of programming that has expanded opportunities for technology transfer and workforce development programs that benefit the growth and expansion of the technology cluster in our region. Also, fueling the growth of this industry cluster in the region is the expansive talent pool generated by New York State's colleges and universities. This highly skilled workforce is in high demand nationally. It is critical to this region's economy to build and retain this workforce here.

In view of the foregoing, to be in a better position to retain the ITT Companies when their sub-leases expire and/or to attract new tenants to Building 776 and/or Building 778, GLDC is requesting a 15-year lease with the corresponding 15-year stand alone PILOT Agreement, covering the Building 776 property and the Building 778 Property.

6(b) Why are you requesting the involvement of the Agency in your project?

The involvement of the Agency is critical to ensuring that the facilities are not placed on the fully-taxable portion of the tax roll. The tenants in these buildings have signed leases that pre-date the signing of the Service Fee Payment (SFP) Agreement by and among the City of Rome, the Rome City School District, the County of Oneida, the Agency and the Applicant. Current lease rates and terms are such that placing the facilities on the fully-taxable portion of the tax roll could seriously impede the tenants' interest in continuing to occupy them. The information technology industry sector has been subject to a considerable amount of consolidation over the past several years. Applicant has been able to successfully counteract this trend and entice members of this industry cluster to locate at Griffiss by leveraging some of the more valuable physical assets of the former Griffiss AFB. The continued presence of ITT Companies at Griffiss is inextricably linked to Applicant's persistent efforts to preserve the AFRL's presence.

6(c) How will the Applicant's plans be affected if Agency approval is not granted?

The prevailing lease rates at Griffiss will become uncompetitive and Applicant's efforts to market space within the Griffiss Business Park to technology firms, specifically in the research and development and cyber security sector, will be severely hindered. At the same time, efforts by communities aggressively courting technology firms like those located at Griffiss will be provided with additional advantage in their recruitment efforts. It should also be noted that the community at large has invested considerable efforts to preserve the long-term presence of the AFRL at Griffiss. Creating an atmosphere un-hospitable to an associated sub-contracting industry will work against this effort.

Since assuming responsibility for the redevelopment of Griffiss, Applicant has invested a considerable amount of capital in infrastructure, public health and safety improvements and marketable real estate development. New modern, code-complying roadways have been built; old derelict military installations have been demolished and landscaped; new and renovated buildings have been leased or sold, all with a current combined economic impact on the area of \$285 million annually. Due to Applicant's efforts, over \$4,000,000 in real property taxes and/or PILOT revenues are currently generated at Griffiss for property that was exempt from taxation for 50+ years, all of which inures to the benefit of the affected tax jurisdictions. Without the Agency's approval of this Application, future efforts could be considerably diminished.

Applicant's real estate portfolio supports debt and additional investment at Griffiss, all in furtherance of ongoing economic development at Griffiss.

By its very nature as a partially closed and/or realigned military installation, the former Griffiss AFB, including the Building 776 Property and Building 778 Property which are the subject of this Application, constitutes an unquestionably unique facility – both before and after the project described herein begins. Because of its overall size (over 3,600 acres), its former and present use by the Federal Government, its proximity to the Griffiss International Airport, its substantial and continuing infrastructure needs and requirements, and the economic condition of the area in which it is located (most of the Griffiss Business Park, including the Building 776 Property and Building 778 Property Property, is located within an area that has been designated an Empire Development Zone as described in Article 18-B of the General Municipal Law and is, therefore, a "highly distressed area" as defined in Section 854(18) of the General Municipal Law), the former Griffiss AFB, including the Building 776 Property and Building 778 Property is unlike any other property (with the exception of other closed and/or realigned military installations). For the past 50+ years, the Building 776 Property and Building 778 Property have been wholly-exempt from real property taxation, although Applicant has been making annual Service Fee Payments to the City of Rome for the last 10 years or so with respect to all or some portion of Building 776 Property and Building 778 Property (calculated at the rate of \$0.55/sq. ft. on space occupied by entities which would be subject to real property tax). The Agency's granting to Applicant of the relief sought herein will not have an adverse impact on the affected tax jurisdictions. On the contrary, under the PILOT formula proposed by Applicant, the annual PILOT payments generated by these facilities (based on their current assessments) will exceed the annual Service Fee Payments heretofore made by Applicant to the City of Rome and will be shared by all of the affected tax jurisdictions in proportion to the amount of real

property tax that each such affected tax jurisdiction would otherwise receive if the project were not tax exempt. By entering into the transaction requested by Applicant herein, the Agency will encourage the retention of permanent, private sector jobs at Griffiss (by encouraging the ITT Companies to remain at Griffiss upon the expiration of their existing subleases) and, hopefully stimulate the creation on new private-sector development, investment and jobs by these firms at the Building 776 Property and Building 778 Property Property. This, in turn, will stimulate job retention and/or creation by other companies at Griffiss, particularly those located at Technology Heights and eventually lead to real estate taxes and/or PILOT revenues for the affected tax jurisdictions (which they have not enjoyed over the past 50+ years) as well as other benefits (of an economic nature or otherwise) that typically occupy the expansion of the tax base including population stabilization and/or increases in sales and/or use tax revenues, the generation of revenue to help pay for infrastructure improvements and the like. It is important to note that due in large part to Applicant's efforts, over 5,800 people are currently employed at Griffiss. Many of the individuals are drawn from outside the County of Oneida and, while they are here, spend considerable sums within the County of Oneida and/or City of Rome, all of which benefits the affected tax jurisdictions.

- 6(d) Is the proposed 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 **If yes**, please explain briefly.

N/A

Is the proposed project reasonably necessary to preserve the competitive position of the Applicant in its respective industry? Yes No **If yes**, please explain briefly.

N/A

- 6(e) Will financing by the Agency result in the removal or abandonment of a plant or other facility of the applicant or any related entity presently located in another area of New York State?
 Yes No **If yes**, please explain briefly the reason for the move.

N/A

- 6(f) Has the Applicant or any related entity previously secured financial assistance in Oneida County (whether through the Agency, the Empire State Development Corporation, or any other entity)? Yes No
If yes, please explain (indicate date of benefit, location of facility and outstanding balance).

Since its formation in 1994, the Applicant has secured financial assistance in terms of its funding from various sources including the Federal Government and the State of New York to assist in its mission of redeveloping Griffiss.

- 6(g) Has the Applicant or any related entity secured financial assistance anywhere within the United States within the last 90 days or does the Applicant or any related entity anticipate receiving financial assistance within the next 90 days? Yes No
If yes, please explain.

Applicant anticipates borrowing up to \$880,000 from NBT Bank, National Association in the near future for the purpose of refinancing various improvements which it has made to Building 440 and Building 780.

- 6(h) Check all categories best describing the **type of project**:

- Manufacturing
- Industrial Assembly or Service
- Research and Development
- Warehousing
- Commercial or Recreational
- Pollution Control (specify) _____
- Other (specify) _____

- 6(i) 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)----- New Lease Agreement and PILOT Agreement

- 6(j) Please indicate the financial assistance you are requesting of the Agency, and provide the estimated value of said assistance.

Assistance	Estimated Value
[X] Real Property Tax Abatement	B 776- \$501,806 over 15 yrs B 778- \$514,351 over 15 yrs
[X] Mortgage Tax Exemption	\$ unknown
[X] Sales and Use Tax Exemption	\$ unknown
[] Issuance by the Agency of Tax Exempt Bonds \$_____	N/A_____

Applicant has requested that the Agency grant it a 15-year PILOT Agreement. Applicant seeks a 1/3 PILOT for years 1-5; a 1/2 PILOT for years 6-10; and a 3/4 PILOT for years 11-15 on space occupied by private R&D companies and other persons or entities that typically would be subject to real property tax. For all vacant space, common area space, and any other space occupied by an entity that typically would be exempt from real property taxes in its own right, Applicant seeks a “zero PILOT”. As such “zero PILOT” space then becomes occupied by entities that typically would be subject to real property tax, space would become subject to the 1/3, 1/2, 3/4 PILOT formula set forth above.

Part III: Facility Information

Facility (Physical Information) If multiple locations please provide information on all.

7(a) Street Address of Facility:

Building 776 – 474 Phoenix Drive, Rome NY; Building 778 – 775 Daedalian Drive, Rome NY

7(b) City, Town and/or Village:

Rome

*(Note: It is important that you list **all** incorporated municipalities in which the facility lies. This information will be used in scheduling a public hearing as required by statute.)*

7(c) School District:

Rome City School District

7(d) Tax Account Number(s):

243.000-1-1.6-1 – Bldg 776 (Building only)
243.000-1-1.9-1 - Bldg 778 (Building only)

Land is not included in Tax Account #243.000-1-1.9-1 due to suffixing. The land underneath Building 778 is part of a different tax account # which includes unrelated properties at Griffiss.

Attached copies of the most recent real property tax bills. Include copies for all taxing jurisdiction for the site/ facility that IDA assistance is being sought.

7(e) For what purpose was the facility site most recently used (i.e., light manufacturing, heavy manufacturing, assembly, etc.)?

Military to technology/ R&D

7(f) Zoning Classification of location of the project:

Griffiss is zoned Planned Development

7(g) Please describe in detail the facility to be acquired, constructed or renovated (including number of buildings, square footage, number of floors, type of construction,) and attach plot plans, photos or renderings, if available. ***Please be as specific as possible.***

N/A

7(h) Has construction or renovation commenced? [] Yes [] No

N/A

If yes, please describe the work in detail, including the date of commencement.

If no, indicate the estimated dates of commencement and completion:

Construction commencement:

Construction completion:

7(i) Will the construction or operation of the facility or any activity which will occur at the site require any local ordinance or variance to be obtained or require a permit or prior approval of any state or federal agency or body (other than normal occupancy and/or construction permits)?

[] Yes [] No

If yes, please describe.

N/A

7(j) Will the project have a significant effect on the environment? [] Yes [X] No

Important: please attach Environmental Assessment Form to this Application.

7(k) What is the useful life of the facility? unknown

7(l) Is the site in an Empire Zone? [X] Yes [] No

If yes, which Empire Zone: Rome Empire Zone _____

Is the business Empire Zone certified at this location: [] Yes [] No

Attached a copy of the last Business Annual Report filed. If not certified, explain why not:

Facility (Legal Information)

8(a) With respect to the **present owner** of the facility, please give the following information:
(Note: *the present owner is not necessarily the user of the facility, but that party which holds legal title to the facility.*)

Legal Name: Oneida County Industrial Development Agency

Address: 584 Phoenix Drive
Rome, NY 13440

Telephone: 315-338-0393

Balance of Mortgage: \$253,463.41 as of September 1, 2011

Holder of Mortgage: Berkshire Bank (Building 778)

If the Applicant is not the present owner of the facility, please attach any written agreements and contracts concerning the acquisition of the real property and/or equipment.

Under its existing lease agreements with the Agency relating to the Building 776 Property and the Building 778 Property, Applicant has the right to acquire the fee title to those properties at any time for nominal consideration. By virtue of the foregoing, Applicant is deemed to be the beneficial owner of said facilities.

8(b) Is there a legal relationship, directly or indirectly, by virtue of common control or through related persons, between the Applicant and the present owner of the facility?
[] Yes [X] No. If yes, please explain.

8(c) Will a related real estate holding company, partnership or other entity, be involved in the ownership structure of the transaction?
 Yes No. If yes, please explain.

8(d) Will the title owner of the facility/ property also be the user of the facility?
 Yes No. If no, please explain.

The Agency hold legal title to the facility on behalf of Applicant.

8(e) Is the Applicant currently a tenant in the facility? Yes No

Although Applicant is the lessee of these facilities under lease agreements with the Agency, Applicant does not physically occupy any space therein.

8(f) Are you planning to use the entire proposed facility?
 Yes No

See above answer to 8(e)

If no, please give the following information with respect to tenant(s) which will remain in the facility after the completion of the project:

<u>Name of Tenant</u>	<u>Floors Occupied</u>	<u>Square Feet Occupied</u>	<u>Nature of Business</u>
ITT Dolphin	B776	28,092	IT/Cyber
ITT Dolphin	2 nd Flr- B778	10,442	IT/Cyber
ITT Corporation	1 st Flr- B778	10,092	IT/Cyber

8(g) Are any of the tenants related to the owner of the facility?
 Yes No
 If yes, please explain.

8(h) Will there be any other users other than the applicant to the IDA be utilizing the facility?
 Yes No
 If yes, please explain. Provide detail of the contractual arrangement including any financial exchange for the use of the site or property.

See above answer to 8(e)

Equipment

9(a) List the principal items or categories of equipment to be acquired as part of the project. (As soon as one is available but prior to final authorizing resolution, please submit a detailed inventory of said equipment.)

NA

9(b) Please provide a brief description of any equipment which has already been purchased or ordered, attach all invoices and purchase orders, list amounts paid and dates of expected delivery. Attach a sheet if needed.

N/A

9(c) What is the useful life of the equipment? unknown

Part IV: Employment Information

10(a) Estimate how many construction and permanent jobs will be created or retained as a result of this project.

Construction Jobs ___ N/A _____

Permanent Jobs to be created by Project at Applicant's facility ___ 0 _____

Permanent Jobs to be retained by Project at Applicant's facility ___ 139 _____

10 (b) What is the applicant entity's current level of employment in Oneida County at the time of application.

139

Part V: Estimated Project Cost and Financing

11(a) List the costs necessary for the construction, acquisition or renovation of the facility. Do **not** include working capital needs, moving expenses, work in progress, stock in trade, Applicant's debt repayment, real estate broker fees or your legal fees.

Acquisition of Land	_____ N/A _____
Acquisition of Building(s)	_____
Renovation Costs	_____
New Construction of Buildings	_____
Machinery and Equipment (other than furniture costs)	_____
Fixtures	_____
Installation Costs	_____
Fees (other than your own broker and legal fees)	_____
Legal Fees	\$10,000
Architectural/Engineering	_____
Interest on Interim Financing	_____
Other (specify)	_____
Subtotal	_____ \$10,000 _____
Agency Fee	_____ 0 _____
Total Project Cost <u>\$10,000</u>	

11(b) What amount of the Total Project Cost is the Applicant requesting financing by the Agency?

\$0

Real Estate Taxes

12(a) For each tax parcel which comprises the facility, please provide the following information, using figures from the most recent tax year:

Tax Acct #	Current Assessed Value (Land)	Current Assessed Value (Building)	Real Estate Taxes
243.000-1-1.6-1	90,000	1,100,000 (B776)	Wholly exempt
243.000-1-1.9-1*		1,305,000 (B778)	Wholly exempt

*Land is not included in this tax account number due to suffixing. The land underneath Building 778 is part of a different tax account number which includes unrelated properties at Griffiss.

12(b) Address of Receiver of Town and/or Village Taxes:

City Rome
198 N. Washington Street, Rome, NY 13440

12(c) Address of Receiver of School Taxes:

Rome City School District
409 Bell Ave, Rome, NY 13440

12(d) Will the completion of the proposed project result in the increase of the assessment of any of the parcels named above? [] Yes [x] No
 If yes, please indicate which tax account numbers will be affected.

Financial Information

13(a) Has the Applicant contacted any bank, financial/lending institution or private investor with respect to the financing of the proposed project?

Yes No

If yes, please provide details.

13(b) Has the Applicant received a commitment letter for said financing?

Yes No

If yes, please submit a copy of said commitment letter along with this Application.

13(c) Please complete the Cost/Benefit Analysis form and attach to this Application.

REPRESENTATIONS AND CERTIFICATION BY APPLICANT

The undersigned requests that this Application be submitted for review to the Oneida County Industrial Development Agency's Board of Directors.

Approval of the Application can be granted solely by this Agency's Board of Directors. 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 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 benefits received with the action of the OCIDA.
3. **Absence of Conflict 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 herein after described:
4. **Hold Harmless.** Applicant hereby releases Oneida 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 the processing of the Application, including attorneys' fees, if any.

5. The applicant acknowledges that the OCIDA has disclosed that the actions and activities of the OCIDA 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.

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.

Griffiss Local Development Corporation

(Applicant)

By: Steven J. DiMeo

Name: Steven J. DiMeo
Title: Authorized Represented

Date: 9/12/11

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: _____

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

Name of Applicant: GLDC

Description of Project: B776-778

Name of All Sublessees or Other Occupants of Facility: _____

Principals or Parent of Applicant: _____

Products or Services of Applicant to be produced or carried out at facility: Redevelopment of the Former GAFB to the GBTP

Estimated Date of Completion of Project: on going

Type of Financing/ Structure:

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

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		est
Existing Building		est
Existing Bldg. Rehab		est
Demo		
Construction of New Building		
Addition or Expansion		
Engineering/ Architectural Fees		
Equipment		
Legal Fees (Bank, Bond, Transaction, Credit Provider, Trustee)	10000	
Finance Charges (Title Insurance, Environmental Review, Bank Commitment Fee, Appraisal, Etc.)		
Agency Fee		
Other (provide detail)		
TOTAL COST OF PROJECT	10000	

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 (over three years)
 Retained Jobs

139
 139

Average Salary of these Positions

48000
 48000

est
 based on overall park average
 est

Earnings Information for Oneida County

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

48000
 25000
 32000

Note: \$1,000,000 in construction expenditures generates 22 person - years of employment
 Construction Person Years of Employment: 0

Calculation of Benefits (3 Year Period)

Direct Jobs

Total Earnings

Created 0
 Existing 20016000

Revenues

Created 0
 Existing 850680

Indirect Jobs

Created 0
 Existing 26062500

Created 0
 Existing 1107656.25

Construction - only one year

Person Years 0

0

TOTALS Calculation of Benefits (3 Year Period)

46078500

1958336

TAXABLE GOODS & SERVICES

	Spending Rate	Expenditures	State & Local Sales Tax Revenues
Direct Jobs			
Created	36%	0	0
Existing	0.36	7205760	702561.6
Indirect Jobs			
Created	0.36	0	0
Existing	0.36	9382500	914793.75
Construction - only one year			
Person Years	0.36	0	0
TOTAL TAXABLE GOODS & SERVICES		16588260	1617355

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.

Tax Rate for School District where facility is located: 6672000
 Tax Rate for Municipality where facility is located: 2780000
 Tax Rate for County: 53.53
 Real Property Taxes Paid: 505965.56

COSTS:

Real Property Taxes Abated on Improvements Only: 1,016,157^{10 yr est}
 Mortgage Tax Abated (1.0%) FF&E
 Estimated Sales Tax Abated During Construction Period (8.75%) Local Sales tax

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.

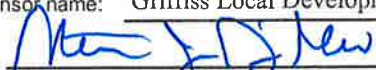
Appendix C

State Environmental Quality Review

SHORT ENVIRONMENTAL ASSESSMENT FORM

For UNLISTED ACTIONS Only

PART I - PROJECT INFORMATION (To be completed by Applicant or Project Sponsor)

1. APPLICANT/SPONSOR Griffiss Local Development Corporation	2. PROJECT NAME Building 776 Property and Building 778 Property
3. PROJECT LOCATION: Municipality City of Rome County Oneida	
4. PRECISE LOCATION (Street address and road intersections, prominent landmarks, etc., or provide map) B 776 - 474 Phoenix Drive, Rome NY 13441 (northerly side & southerly side of Phoenix Drive) B 778 - 775 Daedalian Drive, Rome NY 13441 (northerly side of Phoenix Drive)	
5. PROPOSED ACTION IS: <input checked="" type="checkbox"/> New <input type="checkbox"/> Expansion <input type="checkbox"/> Modification/alteration	
6. DESCRIBE PROJECT BRIEFLY: Establishment of a 15-year Payment In Lieu of Tax agreement and 15-year lease with the Oneida County Industrial Development Corporation.	
7. AMOUNT OF LAND AFFECTED: Initially <u>4.108+/-</u> acres Ultimately <u>4.108+/-</u> acres	
8. WILL PROPOSED ACTION COMPLY WITH EXISTING ZONING OR OTHER EXISTING LAND USE RESTRICTIONS? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe briefly	
9. WHAT IS PRESENT LAND USE IN VICINITY OF PROJECT? <input type="checkbox"/> Residential <input type="checkbox"/> Industrial <input checked="" type="checkbox"/> Commercial <input type="checkbox"/> Agriculture <input type="checkbox"/> Park/Forest/Open Space <input type="checkbox"/> Other Describe: Planned Development-Office Buildings	
10. DOES ACTION INVOLVE A PERMIT APPROVAL, OR FUNDING, NOW OR ULTIMATELY FROM ANY OTHER GOVERNMENTAL AGENCY (FEDERAL, STATE OR LOCAL)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, list agency(s) name and permit/approvals:	
11. DOES ANY ASPECT OF THE ACTION HAVE A CURRENTLY VALID PERMIT OR APPROVAL? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, list agency(s) name and permit/approvals:	
12. AS A RESULT OF PROPOSED ACTION WILL EXISTING PERMIT/APPROVAL REQUIRE MODIFICATION? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS TRUE TO THE BEST OF MY KNOWLEDGE Applicant/sponsor name: <u>Griffiss Local Development Corporation</u> Date: <u>9/12/2011</u> Signature: 	

If the action is in the Coastal Area, and you are a state agency, complete the Coastal Assessment Form before proceeding with this assessment