

**Tri-County Holding Corporation -  
Deviation Approval Resolution**

A regular meeting of the County of Chautauqua Industrial Development Agency (the “Agency”) was convened in public session on June 24, 2025, at 10:30 A.M., local time, at the offices of the Agency located at 201 West 3rd Street, Jamestown, County of Chautauqua, New York (the “IDA Office”).

The meeting was called to order by the \_\_\_\_\_ and, upon roll being called, the following members of the Agency were:

PRESENT:

Gary Henry	Chairman
Dan Heitzenrater	Vice Chairman
Sagan Sheffield-Smith	Treasurer
Amy Harding	Secretary
Daniel DeMarte	Member
Tom Harmon	Member
John Healy	Member
Kevin Muldowney	Member
Ted Wightman	Member

NOT PRESENT:

THE FOLLOWING ADDITIONAL PERSONS WERE PRESENT:

Mark Geise	Administrative Director/CEO
Shelby Bilskie	Chief Financial Officer
Milan K. Tyler, Esq.	Counsel
Gregory L. Peterson, Esq.	Counsel

The attached resolution no. 06-24-25-01 was offered by \_\_\_\_\_, seconded by \_\_\_\_\_:

RESOLUTION AUTHORIZING A DEVIATION FROM THE UNIFORM  
TAX EXEMPTION POLICY OF THE COUNTY OF CHAUTAUQUA  
INDUSTRIAL DEVELOPMENT AGENCY WITH RESPECT  
TO A PROJECT FOR TRI-COUNTY HOLDING CORPORATION  
AND/OR ITS AFFILIATES

WHEREAS, the County of Chautauqua Industrial Development Agency (the “Agency”) is authorized and empowered by the provisions of Chapter 1030 of the Laws of 1969 of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the “Enabling Act”) and Chapter 71 of the 1972 Laws of New York, as amended, constituting Section 895-h of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the “Act”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more “projects” (as defined in the Act), or to cause said projects to be acquired, constructed, reconstructed and installed and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, TRI-COUNTY HOLDING CORPORATION, a corporation duly organized and existing under the laws of the State of New York (the “Applicant”), presented an application for financial assistance (the “Application”) to the Agency, which Application requested that the Agency consider undertaking a project (the “Project”) consisting of the following: (A)(1) the acquisition of an interest in a parcel of land located at 540 Route 39 and Hanover Road, Forestville, Town of Hanover, County of Chautauqua, New York (the “Land”), (2) the demolition of the existing improvements on the Land, (3) the construction of an approximately 12,816 square foot building on the Land (the “Building”), together with related improvements to the Land, and (4) the acquisition of certain furniture, fixtures, machinery, equipment and building materials necessary for the completion thereof (the “Equipment” and together with the Land and the Building, collectively, the “Project Facility”), all of the foregoing for use as a tourism destination project consisting of a country club clubhouse including bar and restaurant space; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14)

of the General Municipal Law) with respect to the foregoing in the form of potential exemptions or partial exemptions from sales and use taxes, mortgage recording taxes and real property taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase), license or sale of the Project Facility to the Applicant or such other entity(ies) as may be designated by the Applicant and agreed upon by the Agency; and

WHEREAS, the Application states that the Applicant is seeking an exemption from real property taxes with respect to the Improvements that, if granted, would constitute a deviation from the Agency’s established Uniform Tax Exemption Policy and Guidelines (the “Tax Exemption Policy”) that is published on the Agency’s website; and

WHEREAS, in accordance with Section 874(4) of the Act, (A) the Administrative Director/CEO of the Agency caused letters dated June 2, 2025 (the “Pilot Deviation Notice Letters”) to be mailed to the chief executive officer of each affected tax jurisdiction and to all other persons required by applicable law, informing said individuals that the Agency would, at its meeting on June 24, 2025 (the “IDA Meeting”), consider a proposed deviation from the Tax Exemption Policy with respect to the payment in lieu of taxes agreement to be entered into by the Agency with respect to the Improvements; and (B) the members of the Agency conducted the IDA Meeting on the date hereof and reviewed any comments and correspondence received with respect to the proposed deviation from the Tax Exemption Policy; and

WHEREAS, the Agency desires to provide for compliance with the provisions of Section 874(4) of the Act with respect to the proposed deviation from the Tax Exemption Policy;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE COUNTY OF CHAUTAUQUA INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS:

Section 1. The Agency hereby determines that the Agency has fully complied with the requirements of Section 874(4) of the Act relating to the proposed deviation from the Tax Exemption Policy.

Section 2. Prior to making the determinations set forth in this Resolution, the members of the Agency have considered and weighed all of the factors set forth in the Tax Exemption Policy.

Section 3. Having reviewed all written comments and correspondence received at or prior to the IDA Meeting, the Agency hereby approves the proposed deviation from the Tax Exemption Policy as described in the Pilot Deviation Notice Letters (copies of which are attached hereto as Exhibit A) because the Property Tax Exemption (as defined in the Pilot Deviation Notice Letters) is necessary to induce the Applicant to undertake the Project in Chautauqua County. Deviating from the Policy in this instance will advance the job

opportunities, general prosperity and economic welfare of the people of the State of New York and Chautauqua County.

Section 4. The Chairman, Vice Chairman, Administrative Director/CEO and Chief Financial Officer of the Agency are each hereby authorized and directed, acting individually or jointly, to distribute copies of this Resolution to the Applicant and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution. If the Agency hereafter adopts appropriate final approving resolutions with respect to the proposed straight-lease transaction with the Applicant (the "Transaction"), the Chairman, Vice Chairman, Administrative Director/CEO and Chief Financial Officer of the Agency are each hereby authorized and directed, acting individually or jointly, to cause the Agency to (A) enter into a Payment in Lieu of Taxes Agreement providing for, among other things, the making of payments in lieu of property taxes consistent with the Pilot Deviation Notice Letters, and (B) file an application for real property tax exemption with the appropriate assessor(s) with respect to the Improvements.

Section 5. This Resolution shall take effect immediately, but is subject to and conditioned upon the closing of the Transaction.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

Gary Henry	VOTING
Dan Heitzenrater	VOTING
Sagan Sheffield-Smith	VOTING
Amy Harding	VOTING
Daniel DeMarte	VOTING
Tom Harmon	VOTING
John Healy	VOTING
Kevin Muldowney	VOTING
Ted Wightman	VOTING

The foregoing resolution was thereupon declared duly \_\_\_\_\_.



STATE OF NEW YORK                    )  
  ) SS.:  
COUNTY OF CHAUTAUQUA            )

WE, the undersigned officers of the County of Chautauqua Industrial Development Agency (the “Agency”), DO HEREBY CERTIFY that we have compared the foregoing extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on June 24, 2025 with the original thereof on file in our offices, and that the same is a true and correct copy of said original and of such Resolution set forth therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

WE FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the “Open Meetings Law”), said meeting was open to the general public at both locations at which members of the Agency were present, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; (D) there was a quorum of the members of the Agency present throughout said meeting; and (E) the meeting was recorded and the recording has been or will be posted on the public website of the Agency pursuant to the Open Meetings Law.

WE FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, we have hereunto set our hand this 24<sup>th</sup>, day of June, 2025.

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[Assistant] Secretary

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[Vice] Chairman

**EXHIBIT A**

Pilot Deviation Notice Letters

See Attached



County of Chautauqua Industrial Development Agency



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June 2, 2025

**Board of Directors**

**Gary Henry**

Chairman  
Owner  
Fancher Chair Co., Inc.

**Tom Harmon**

Member  
PED Chair

**Dan Heitzenrater**

Vice Chairman  
President & CEO  
Chautauqua County  
Chamber of Commerce

**Sagan Sheffield-Smith**

Treasurer  
Chief Financial Officer  
Double A Vineyards

**Amy Harding**

Secretary  
Vice President  
Lake Shore Savings Bank

**John Healy**

Member  
Executive Director  
Builders Exchange of the  
Southern Tier

**Daniel DeMarte**

Member  
President  
Jamestown Community  
College

**Kevin Muldowney**

Member  
President  
Muldowney  
Development

**CERTIFIED MAIL,  
RETURN RECEIPT REQUESTED  
AND FIRST CLASS MAIL**

Louis Pelletter, Town Supervisor 68 Hanover Street Silver Creek, NY 14136	Melody Voight, District Clerk Forestville CSD 4 Academy Street Forestville, NY 14062
Elizabeth VanCheri, Town Clerk 68 Hanover Street Silver Creek, NY 14136	Chautauqua County County Executive, Paul Wendel 3 N. Erie St. Mayville, NY 14757
Dr. John O'Connor, Superintendent Forestville CSD 4 Academy Street Forestville, NY 14062	Legal Notices Observer 10 East 2 <sup>nd</sup> Street Dunkirk, NY 14048
Andrea Spengler School Board President Forestville CSD 4 Academy Street Forestville, NY 14062	

**NOTICE OF PROPOSED DEVIATION FROM UNIFORM  
TAX EXEMPTION POLICY AND GUIDELINES**

Ladies and Gentlemen:

Notice is hereby given that at a meeting of the County of Chautauqua Industrial Development Agency (the "Agency") to be held on June 24, 2025, at 10:30 a.m., local time, from the offices of the Agency, 201 West Third Street, Jamestown, County of Chautauqua, New York, the Agency will consider whether to approve the application of TRI-COUNTY HOLDING CORPORATION, a corporation duly organized and existing under the laws of the State of New York (the "Company"), for certain "financial assistance" which, if granted, would deviate from the Agency's Uniform Tax Exemption Policy and Guidelines (the "Policy") with respect to the payment of real property taxes.

The Company submitted an application for financial assistance (the "Application") to the Agency, which Application requested that the Agency consider undertaking a project

(the “Project”) consisting of the following: (A)(1) the acquisition of an interest in a parcel of land located at 540 Route 39 and Hanover Road, Forestville, Town of Hanover, County of Chautauqua, New York (the “Land”), (2) the demolition of the existing improvements on the Land, (3) the construction of an approximately 12,816 square foot building on the Land (the “Building”), together with related improvements to the Land, and (4) the acquisition of certain furniture, fixtures, machinery, equipment and building materials necessary for the completion thereof (the “Equipment” and together with the Land and the Building, collectively, the “Project Facility”), all of the foregoing for use as a tourism destination project consisting of a country club clubhouse including bar and restaurant space; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the General Municipal Law) with respect to the foregoing in the form of potential exemptions or partial exemptions from sales and use taxes, mortgage recording taxes and real property taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase), license or sale of the Project Facility to the Applicant or such other entity(ies) as may be designated by the Applicant and agreed upon by the Agency.

The Project Facility would be initially owned, operated and/or managed by the Company (or such other entity(ies) as may be designated by the Company and agreed upon by the Agency).

The Application states that the Company is seeking an abatement of real property taxes with respect to the Project Facility. Based upon negotiations between representatives of the Company and the Agency, the parties contemplate that the Agency may agree to grant a real property tax exemption with respect to the Project Facility (the “Property Tax Exemption”) that would result in a payment in lieu of taxes (“PILOT”) agreement between the Agency and the Company and/or its affiliate or designee having a term of fifteen (15) fiscal tax years (the “PILOT Term”), with annual PILOT payments with respect to the Project Facility as follows:

<b>PILOT Year</b>	<b>Annual PILOT Payment</b>
1	\$37,926
2	\$38,305
3	\$38,688
4	\$39,075
5	\$39,466
6	\$39,861
7	\$40,259
8	\$40,662
9	\$41,068
10	\$41,479
11	\$41,894
12	\$42,313
13	\$42,736
14	\$43,163
15	\$43,595

Thereafter, and through the end of the term of the lease or installment sale agreement with respect to the Project Facility, the payments would be equal to the real property taxes and assessments that would be payable

as if the Project Facility was returned to the tax rolls as taxable property and subject to taxation at its then current, full assessed value, as the same may be reassessed from time to time, and subject to tax rate increases imposed by the affected tax jurisdictions.

The Property Tax Exemption, if approved by the Agency, would represent a deviation from the Policy.

The reason for the proposed deviation is that the Property Tax Exemption, if approved by the Agency, is necessary to induce the Applicant to undertake the Project in Chautauqua County. Deviating from the Policy in this instance will advance the job opportunities, general prosperity and economic welfare of the people of the State of New York and Chautauqua County.

The meeting will be streamed on the Agency's website in real-time and a recording of the meeting will be posted on the Agency's website, all in accordance with Section 857 of the New York General Municipal Law, as amended.

Copies of the Application, including the request for a deviation from the Policy, are available for review by the public online at [www.ccida.com](http://www.ccida.com). For additional assistance, contact the Agency at (716) 661-8900.

COUNTY OF CHAUTAUQUA  
INDUSTRIAL DEVELOPMENT AGENCY



By: \_\_

Shelby Bilskie  
Chief Financial Officer

## **Tri-County Holding Corporation - Approving Resolution**

A regular meeting of the County of Chautauqua Industrial Development Agency (the “Agency”) was convened in public session on June 24, 2025, at 10:30 A.M., local time, at the offices of the Agency located at 201 West 3rd Street, Jamestown, County of Chautauqua, New York (the “IDA Office”).

The meeting was called to order by the \_\_\_\_\_ and, upon roll being called, the following members of the Agency were:

### **PRESENT:**

Gary Henry	Chairman
Daniel Heitzenrater	Vice Chair
Sagan Sheffield-Smith	Treasurer
Amy Harding	Secretary
Daniel DeMarte	Member
Tom Harmon	Member
John Healy	Member
Kevin Muldowney	Member
Ted Wightman	Member

### **NOT PRESENT:**

### **THE FOLLOWING ADDITIONAL PERSONS WERE PRESENT:**

Mark Geise	Administrative Director/CEO
Shelby Bilskie	Chief Financial Officer
Milan K. Tyler, Esq.	Counsel
Matthew J. Fitzgerald, Esq.	Counsel

The attached resolution no. 06-24-25-02 was offered by \_\_\_\_\_, seconded by \_\_\_\_\_:

Resolution No. 06-24-25-02

RESOLUTION TAKING OFFICIAL ACTION TOWARD AND APPROVING THE  
STRAIGHT LEASE DOCUMENTS FOR A CERTAIN PROJECT FOR TRI-COUNTY  
HOLDING CORPORATION AND/OR ITS AFFILIATES

WHEREAS, the County of Chautauqua Industrial Development Agency (the “Agency”) is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title I of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the “Enabling Act”), and Chapter 71 of the 1972 Laws of New York, as amended, constituting Section 895-h of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the “Act”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of manufacturing, industrial and commercial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more “projects” (as defined in the Act) or to cause said projects to be acquired, constructed, reconstructed and installed and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, TRI-COUNTY HOLDING CORPORATION, a corporation duly organized and existing under the laws of the State of New York (the “Applicant”), presented an application for financial assistance (the “Application”) to the Agency, which Application requested that the Agency consider undertaking a project (the “Project”) consisting of the following: (A)(1) the acquisition of an interest in a parcel of land located at 540 Route 39 and Hanover Road, Forestville, Town of Hanover, County of Chautauqua, New York (the “Land”), (2) the demolition of the existing improvements on the Land, (3) the construction of an approximately 12,816 square foot building on the Land (the “Building”), together with related improvements to the Land, and (4) the acquisition of certain furniture, fixtures, machinery, equipment and building materials necessary for the completion thereof (the “Equipment” and together with the Land and the Building, collectively, the “Project Facility”), all of the foregoing for use as a tourism destination project consisting of a country club clubhouse including bar and restaurant space; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the General Municipal Law) with respect to the foregoing in the form of potential exemptions or partial exemptions from sales and use taxes, mortgage recording taxes and real property taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase), license or sale of the Project Facility to the Applicant or such other entity(ies) as may be designated by the Applicant and agreed upon by the Agency; and

WHEREAS, in accordance with Section 859-a of the Act, any approval of the Project is contingent upon, inter alia, a determination by the members of the Agency to proceed with the

Project following a determination by the Agency that (A) the public hearing and notice requirements and other procedural requirements contained in the Act relating to the Project have been satisfied; and (B) the undertaking of the Project by the Agency and the granting of the Financial Assistance are and will be in compliance with all other applicable requirements of the Act, SEQRA (as hereinafter defined), and all other statutes, codes, laws, rules and regulations of any governmental authority having jurisdiction over the Project and/or the Project Facility (collectively, the “Applicable Laws”); and

WHEREAS, the Administrative Director/CEO of the Agency (A) caused notice of a public hearing of the Agency pursuant to Section 859-a of the Act (the “Public Hearing”) to hear all persons interested in the Project and the Financial Assistance contemplated by the Agency with respect to the Project, to be mailed on May 5, 2025 to the chief executive officer of the County of Chautauqua (the “County”) and of each other affected tax jurisdiction within which the Project Facility is or is to be located, and posted a copy of the Application on the Agency’s website; (B) caused notice of the Public Hearing to be published on May 6, 2025 in *The Observer*, a newspaper of general circulation available to residents of the County; (C) caused the Public Hearing to be conducted on May 22, 2025, at 10:00 a.m., local time, at 68 Hanover Street, Town Court Room, Town of Hanover, County of Chautauqua, New York; (D) caused the Public Hearing to be streamed on the Agency’s website in real-time and a recording of the Public Hearing to be posted on the Agency’s website, all in accordance with Section 857 of the Act, as amended; and (E) caused a written report of the Public Hearing to be prepared which fairly summarizes the views presented at the Public Hearing and collected written comments from the public (collectively, the “Report”) and distributed the Report to the members of the Agency; and

WHEREAS, pursuant to Article 8 of the New York Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”) and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (“NYSDEC”), being 6 N.Y.C.R.R. Part 617, et. seq., as amended (the “Regulations” and collectively with the SEQR Act, “SEQRA”), the Agency must satisfy the requirements contained in SEQRA prior to making a final determination whether to undertake the Project; and

WHEREAS, prior to making a recommendation as to the potential environmental significance of the Project, the Agency reviewed the Application and considered the list of activities that are Type I Actions outlined in Section 617.4 of the Regulations, the list of activities that are Type II Actions outlined in Section 617.5 of the Regulations, and the criteria for determining significance outlined in Section 617.7 of the Regulations; and

WHEREAS, 6 NYCRR 617.5(ak) of the Regulations states that a Type II action is an action or class of actions identified under 6 NYCRR 617.5 that have been determined not to have a significant impact on the environment or are otherwise precluded from environmental review under the SEQR Act; and

WHEREAS, 6 NYCRR 617.5(c)(2), 617.5(c)(9), and 617.5(c)(31) provide that a Type II action not subject to further review under SEQRA includes the “replacement, rehabilitation or



reconstruction of a structure or facility, in kind, on the same site,” the “construction or expansion of a primary or accessory/appurtenant, nonresidential structure or facility involving less than 4,000 square feet of gross floor area and not involving a change in zoning or a use variance and consistent with local land use controls,” and the “purchase or sale of furnishings, equipment or supplies, including surplus government property, other than the following: land, radioactive material, pesticides, herbicides, or other hazardous materials,” respectively; and

WHEREAS, in accordance with Section 874(4) of the Act, (A) the Administrative Director/CEO of the Agency caused letters dated June 2, 2025 (the “Pilot Deviation Notice Letters”) to be mailed to the chief executive officer of each affected tax jurisdiction and to all other persons required by applicable law, informing said individuals that the Agency would, at its meeting on June 24, 2025 (the “IDA Meeting”), consider a proposed deviation from the Tax Exemption Policy with respect to the payment in lieu of taxes agreement to be entered into by the Agency with respect to the Improvements; and (B) the members of the Agency conducted the IDA Meeting on the date hereof and reviewed any comments and correspondence received with respect to the proposed deviation from the Tax Exemption Policy; and

WHEREAS, the Agency now desires to make its determination to proceed with the Project and to grant the Financial Assistance, subject to the terms hereof; and

WHEREAS, the Applicant and/or one (1) or more of its affiliates will (A) execute and deliver a certain Company Lease Agreement (the “Company Lease”), pursuant to which the Applicant and/or such affiliate(s) will grant to the Agency a leasehold interest in the Project Facility; (B) execute and deliver a certain Agency Lease Agreement (Uniform Project Agreement) (the “Agency Lease”), pursuant to which the Agency will grant to the Applicant and/or such affiliate(s) a subleasehold interest in the Project Facility; (C) execute and deliver a certain Payment in Lieu of Taxes Agreement (the “PILOT Agreement”) pursuant to which the Agency would grant an exemption from real property taxes with respect to the Improvements only; and (D) execute and deliver certain other certificates, documents, instruments and agreements related to the Project (together with the Company Lease, the Agency Lease and the PILOT Agreement, collectively, the “Transaction Documents”);

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE COUNTY OF CHAUTAUQUA INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. In accordance with Section 859-a of the Act, the Agency has prepared a written cost-benefit analysis with respect to the Project and the granting of the Financial Assistance (the “Analysis”). The Agency has reviewed the Application, the Report and the Analysis, and, based upon the representations made by the Applicant to the Agency and information obtained by the Agency, the Agency has reviewed and assessed all material information necessary to afford a reasonable basis for the Agency to make a determination to approve the Financial Assistance. In addition, the Agency hereby makes the following findings and determinations with respect to the Project:

(a) based on the proposed use of the Project Facility as set forth in the Application, the economic effects of the Project on the area in which it is situated, and the employment reasonably expected to be created and/or maintained by the Project, and an analysis of how the Project contributes to the realization of the public purposes of promoting employment opportunities in the County and the prevention of economic deterioration in the County, the Project will constitute a commercial facility with a significant impact on the area in which it is situated, and will advance the Agency's purposes by promoting employment opportunities and preventing economic deterioration in the County. Therefore, the Project constitutes a "project" within the meaning of the Act;

(b) the granting by the Agency of the Financial Assistance with respect to the Project will be an inducement to the Applicant to undertake the Project in the County;

(c) there is a likelihood that the Project would not be undertaken but for the granting of the Financial Assistance by the Agency to the Applicant;

(d) the completion of the Project Facility, the sublease thereof by the Agency to the Applicant and the operation thereof by the Applicant will not result in the removal of a facility or plant of the Applicant or any other occupant or user of the Project Facility from one area of the State of New York (the "State") to another area of the State or in the abandonment of one or more plants or facilities of the Applicant or any other occupant or user located within the State (but outside of the County). Therefore, the provisions of subdivision (1) of Section 862 of the Act are not and will not be violated as a result of the granting of the Financial Assistance by the Agency to the Applicant;

(e) the Project will serve the public purposes of the Act by preserving permanent, private sector jobs, and increasing the overall number of permanent, private sector jobs in the State;

(f) no funds of the Agency shall be used in connection with the Project for the purpose of preventing the establishment of an industrial or manufacturing plant, nor shall any funds of the Agency be given in connection with the Project to any group or organization which is attempting to prevent the establishment of an industrial or manufacturing plant within the State, nor shall any funds of the Agency be used for advertising or promotional materials which depict elected or appointed government officials in either print or electronic media;

(g) the Project Facility does not and will not constitute a project where facilities or property that are primarily used in making retail sales of goods and/or services to customers who personally visit such facilities constitute more than one-third of the total cost of the Project. For purposes of this finding, retail sales shall mean: (i) sales by a registered vendor under Article 28 of the New York Tax Law primarily engaged in the retail sale of tangible personal property, as defined in subparagraph (i) of

paragraph four of subdivision (b) of section 1101 of the New York Tax Law; or (ii) sales of a service to such customers;

(h) the granting of the Financial Assistance by the Agency with respect to the Project will encourage and assist the Applicant in undertaking the Project in the County, will promote the job opportunities, health, general prosperity and economic welfare of the inhabitants of the County and the State and improve their standard of living, and thereby serve the public purposes of the Act; and

(i) the Project will not result in the removal or abandonment of a plant or facility of the Applicant or any other occupant or user of the Project Facility, currently located within the County.

Section 2. The Agency hereby ratifies, confirms and approves all actions heretofore taken by the Administrative Director/CEO, Chief Financial Officer and the staff of the Agency with respect to the Application, the Analysis and the Public Hearing, including, without limitation, (a) those actions required to ensure full compliance with the requirements of the Act, SEQRA and all other Applicable Laws that relate to the Project, and (b) the appointment of the law firm of Phillips Lytle LLP as Counsel to the Agency with respect to all matters in connection with the Project.

Section 3. The Agency determines that the Project is a Type II Action under SEQRA, precluded from further environmental review, because it constitutes the “replacement, rehabilitation or reconstruction of a structure or facility, in kind, on the same site,” the “construction or expansion of a primary or accessory/appurtenant, nonresidential structure or facility involving less than 4,000 square feet of gross floor area and not involving a change in zoning or a use variance and consistent with local land use controls,” and the “purchase or sale of furnishings, equipment or supplies, including surplus government property, other than the following: land, radioactive material, pesticides, herbicides, or other hazardous materials.”

Section 4. The Agency hereby determines that the Agency has fully complied with the requirements of the Act, SEQRA and all other Applicable Laws that relate to the Project.

Section 5. Having considered fully all comments received at or in connection with the Public Hearing and the IDA Meeting, including correspondence received subsequent to the Public Hearing, the Agency hereby further determines to proceed with the Project and the granting of the Financial Assistance, subject to the terms hereof. The Agency hereby approves the granting of (a) an exemption from real property taxes having an estimated value of \$695,695, (b) an exemption from sales and use taxes in the maximum amount of \$75,000, and (c) an exemption from mortgage recording taxes having an estimated value of \$10,625.

Section 6. The Agency recognizes that due to the complexities of the proposed transaction it may become necessary that certain of the terms approved hereby may require modifications from time to time which will not affect the intent and substance of the authorizations and approvals by the Agency herein. The Agency hereby authorizes the

Chairman, Vice Chairman, Administrative Director/CEO and Chief Financial Officer of the Agency, acting individually or jointly, to approve modifications to the terms approved hereby which do not affect the intent and substance of this Resolution, but may include adjustments to the Financial Assistance granted hereunder. The approval of such modifications shall be evidenced by the certificate of determination of an Agency officer or the execution and delivery by some or all such Agency officers of relevant documents containing such modified terms.

Section 7. The Agency is hereby authorized to (a) acquire an interest in the Project Facility pursuant to the Company Lease and the other Transaction Documents, (b) grant a subleasehold interest in the Project Facility pursuant to the Agency Lease and the other Transaction Documents, (c) grant the Financial Assistance, and (d) do all things necessary, convenient or appropriate for the accomplishment thereof. All acts heretofore taken by the Agency with respect to the foregoing are hereby approved, ratified and confirmed.

Section 8. The form and substance of the Transaction Documents, in the forms presented to the members of the Agency, together with such changes as the Chairman, the Vice Chairman, the Administrative Director/CEO or the Chief Financial Officer may hereafter deem necessary or appropriate, are hereby approved. The Chairman, the Vice Chairman, the Administrative Director/CEO and the Chief Financial Officer are hereby authorized, on behalf of the Agency, acting together or individually, to execute and deliver the Transaction Documents to which the Agency is a party and, where appropriate, the Secretary (or Assistant Secretary) of the Agency is hereby authorized to affix the seal of the Agency thereto and to attest the same. The execution and delivery of each such agreement, approval and consent by such person(s) shall be conclusive evidence of such approval.

Section 9. The Chairman, the Vice Chairman, the Administrative Director/CEO and the Chief Financial Officer of the Agency are hereby further authorized, on behalf of the Agency, acting together or individually, to designate any additional Authorized Representatives (as defined in the Agency Lease) of the Agency.

Section 10. The officers, employees and agents of the Agency are hereby authorized and directed, acting individually or jointly, for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Transaction Documents, to execute and deliver all such additional certificates, instruments, agreements and documents, to pay all such fees, charges and expenses, and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, convenient or appropriate to effect the purposes of this Resolution and to cause compliance with all of the terms, covenants and provisions of the Transaction Documents to which the Agency is a party or which are binding on the Agency.

Section 11. The members of the Agency acknowledge the terms and conditions of Section 875(3) of the Act and the duties and obligations of the Agency thereunder with respect to granting of State Sales and Use Taxes (as such term is defined in Section 875 of the Act) with respect to the Project. The members hereby direct the officers of the Agency to comply with

such terms and conditions with respect to the Project and hereby direct Counsel to the Agency to include such terms and conditions in all relevant Transaction Documents.

Section 12. The Chairman, the Vice Chairman, the Administrative Director/CEO and the Chief Financial Officer of the Agency are hereby authorized and directed to distribute copies of this Resolution to the Applicant and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 13. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

Gary Henry	VOTING
Dan Heitzenrater	VOTING
Sagan Sheffield-Smith	VOTING
Amy Harding	VOTING
Daniel DeMarte	VOTING
Tom Harmon	VOTING
John Healy	VOTING
Kevin Muldowney	VOTING
Ted Wightman	VOTING

The foregoing resolution was thereupon declared duly \_\_\_\_\_.

STATE OF NEW YORK                    )  
  ) SS.:  
COUNTY OF CHAUTAUQUA            )

WE, the undersigned officers of the County of Chautauqua Industrial Development Agency (the “Agency”), DO HEREBY CERTIFY that we have compared the foregoing extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on June 24, 2025 with the original thereof on file in our offices, and that the same is a true and correct copy of said original and of such Resolution set forth therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

WE FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the “Open Meetings Law”), said meeting was open to the general public at both locations at which members of the Agency were present, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; (D) there was a quorum of the members of the Agency present throughout said meeting; and (E) the meeting was recorded and the recording has been or will be posted on the public website of the Agency pursuant to the Open Meetings Law.

WE FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, we have hereunto set our hand this 24<sup>th</sup>, day of June, 2025.

---

[Assistant] Secretary

---

[Vice] Chairman





County of Chautauqua Industrial Development Agency

## APPLICATION FOR FINANCIAL ASSISTANCE

Please respond to all questions in this Application for Financial Assistance (the "Application") by, as appropriate: filling in blanks; checking the applicable term(s); attaching additional text (with appropriate notations, such as "see Schedule 2(A), etc."); or writing "N.A.", signifying "not applicable".

The following amounts are payable to the County of Chautauqua Industrial Development Agency (the "Agency") at the time this Application is submitted to the Agency: (i) a \$1,000 non-refundable application fee (the "Application Fee"); and (ii) a \$1,000 expense deposit for the Agency's Transaction/Bond Counsel fees and expenses (the "Counsel Fee Deposit"). The Application Fee will not be credited against any other fees or expenses which are or become payable to the Agency in connection with this Application or the project contemplated herein (the "Project"). In the event that the subject transaction does not close for any reason, the Agency may use all or any part of the Counsel Fee Deposit, to defray the cost of Transaction/Bond Counsel fees and expenses with respect to the Project. In the event that the subject transaction closes, the Counsel Fee Deposit shall be credited against the applicable expenses incurred by the Agency with respect to the Project.

- Please contact the CCIDA Main Office @ (716) 661-8900 with any questions relative to the application content and/or process.

### PART I: APPLICANT

Name: Tri-County Holding Corp  
 Address: 540 Route 39  
Forestville, NY 14062  
 Phone: 716-965-2053  
 NY State Dept. of Labor Reg #: \_\_\_\_\_  
 Federal Employer ID #: 16-0811351  
 NAICS Code #: 713910  
 NAICS Sector: Golf Courses + Country Clubs  
 NAICS Industry: \_\_\_\_\_  
 Website: www.tricountycountryclub.com

Nature of business (goods to be sold, manufactured, assembled or processed, services rendered):  
Country club

Contact Name: Daniel Jaszka Jr  
 Title: Board President  
 Phone Number: 716-512-9428  
 E-Mail: djaszka@gmail.com

#### **Business Type:**

- ☐ Sole Proprietorship
- ☐ General Partnership
- ☐ Limited Partnership
- ☐ Limited Liability Company
- ☒ Privately Held Corporation
- ☐ Publicly Held Corporation
- ☐ Not-for-Profit Corporation

State/Year of Incorporation/Organization: 1924/NY

Qualified to do Business in New York

(Yes or No): Yes

#### **Owners of 20% or more of Applicant:**

Name %

N/A

### PART II: PROJECT

Address of proposed project facility: 540 Route 39 and Hanover Rd.  
Forestville, NY 14062  
 Tax Map Parcel Number(s): 064689-101.00-2-26, 2-25.2, 2-24,  
Forestville, Town of Hanover 2-23.2  
 City/Town/Village(s): \_\_\_\_\_  
 School District(s): Forestville  
 Current Legal Owner: Tri-County Holdings Corp  
 Contract to purchase (Yes or No): No  
 Date of purchase: \_\_\_\_\_  
 Purchase price: \$ \_\_\_\_\_

Present use of the Project site: country  
club w. bar/restaurant

What are current real estate taxes on the Project site?

County/Town: \$ 16322.00  
 City/Village: \$ \_\_\_\_\_  
 School: \$ 19,835.00

Are tax cert. proceedings currently pending with respect to the Project real property?

YES ☐ NO ☒

#### **Proposed User(s)/Tenant(s) of the Facility**

(Complete for each User/Tenant for additional User/Tenants of the Company, use space at the end of this section)

Company Name: South Dayton Hotel

Address: 203 Pine Street

City/State/Zip: South Dayton, NY 14138

Tax ID No.: \_\_\_\_\_

Contact Name: Jeff Stoltenberg

Title: Owner

Phone Number: 716-988-5008

E-Mail: \_\_\_\_\_

% of facility to be occupied by User/Tenant:

100% (Kitchen Lessee)

Relationship to the Applicant:

None



**OFFICERS OF APPLICANT**

Name:

Title:

Dan JuszkaPresidentBob EdwardsSecretaryP.J. AzzanellaTreasurer**Owners of 20% or more of User/Tenant:**

Name

%

Corporate Title

**APPLICANT'S LEGAL COUNSEL:**

Firm name:

Weyand & Weyand LLP

Address:

113 West Main St, Gowanda, NY 14070

Contact:

Fredric Weyand

Phone:

716-532-3361

Fax:

716-532-0145

E-Mail:

fweyand@roadrunner.com

Type of Proposed Project (check all that apply):



New Construction of a Facility

Square footage:

12,816 sq ft

Addition to Existing Facility

Square footage of existing facility:

Square footage of addition:



Renovation of Existing Facility

Square footage of area renovated:

Square footage of existing facility:



Acquisition of Land/Building

Acreage/square footage of land:

Square footage of building:



Acquisition of Furniture/Machinery/Equipment

List principal items or categories:

Kitchen equipment, Furniture for bar & dining area,  
Refrigerator & Freezer

Other (specify):

Briefly describe the purpose of the proposed Project, the reasons why the Project is necessary to the Applicant and why the Agency's financial assistance is necessary, and the effect the Project will have on the Applicant's business or operations:

Replacement of clubhouse destroyed in Oct. 23' fire. Clubhouse required to host both members & outside organization tournaments. Financial assistance reduces effective interest rate of mortgage. New Facility will increase Club's revenue stream.

Please list Affiliates/Parents/Subsidiary Entities to Applicant (attach organization chart if necessary)

N/A

### PART III. CAPITAL COSTS OF THE PROJECT

A. Provide an estimate of Project Costs of all items listed below:

	Item	Cost
1.	Land and/or Building Acquisition:	
2.	Building Demolition:	
3.	Construction/Reconstruction/Renovation:	<u>196,500</u>
4.	Site Work:	<u>120,000</u>
5.	Infrastructure Work: <u>Septic</u>	<u>225,000</u>
6.	Furniture, Equipment, Machinery:	<u>100,000</u>
7.	Architectural/Engineering Fees:	<u>110,000</u>
8.	Applicant's Legal Fees:	
9.	Financial Fees:	
10.	Other Professional Fees: <u>Survey</u>	<u>10000</u>
11.	Other Soft Costs (describe):	
12.	Other (describe):	
	Total Project Costs:	<u>\$ 0 2,530,000</u>

	Estimated Sources of Funds for Project Costs:	Source
1.	Tax-Exempt IDA Bonds:	
2.	Taxable IDA Bonds:	
3.	Conventional Mortgage Loans:	<u>600,000</u>
4.	SBA or other Governmental Financing Identify: <u>IDA loan</u>	<u>250,000</u>
5.	Other Public Sources (e.g., grants, tax credits): Identify: <u>insurance proceeds</u>	<u>1630000</u>
6.	Other Public Agency Loans:	
7.	Other Private Loans:	
8.	Equity Investment: <u>LT memberships</u> (Excluding equity attributable to grants/tax credits)	<u>50,000</u>
	Total Funding:	<u>\$ 0 2,530,000</u>

What percentage of the total project costs are funded/financed from public sector sources: 10 %

C. Requested Financial Assistance

Tax-Exempt Bonds: \$ \_\_\_\_\_  
Taxable Bonds: \$ \_\_\_\_\_  
Estimated Value of Sales Tax Benefit: \$ 75,000 -  
(i.e., gross amount of cost of goods and services that are subject to state and local sales and use taxes multiplied by [8.0%])  
  
Estimated Value of Mortgage Tax Benefit: \$ 10,1025.00  
(i.e., principal amount of mortgage loans multiplied by [1.25%])

Estimated CCIDA PILOT Property Tax Benefit:

Type: PILOT

Term: Tourism Destination PILOT

Schedule Requested: 15 Years

Deviation? Yes ☐ No ☒

Will the proposed Project utilize a property tax exemption benefit other than from the Agency: NO  
(if so, please describe requested type, term and schedule)

Existing Total Annual Property Taxes on Land and Building: \$ 35,200

Estimated Additional Property Taxes on completed Project over the requested PILOT term (without Agency financial assistance): \$ 695,695

Other (specify): \_\_\_\_\_

NOTE: Upon acceptance of this Application by the Agency, the Agency's staff will create a PILOT schedule and indicate the estimated amount of PILOT Benefit/Cost utilizing anticipated tax rates and assessed valuation, make an estimate of the allocation of PILOT payments among the affected tax jurisdictions, and attach such information as Exhibit A hereto.

The Applicant acknowledges that the transaction/bond documents may include a covenant by the Applicant to undertake and document the total amount of capital investment as set forth in this Application.

D. Status of Expenses

Have any of the above costs been paid or incurred (including contracts of sale or purchase orders) as of the date of this application? If YES, describe particulars on a separate sheet.

YES



*see Attachment*

NO



E. Existing Operations

Does the Applicant or any User(s)/Tenant(s) currently operate in the County? If YES, describe such operations, including whether the proposed Project will result in the relocation or abandonment of such other operation(s).

South Dayton Hotel to lease & operate the kitchen - no relocation  
of current operation



#### PART IV: COST-BENEFIT ANALYSIS

Provide the current annual payroll in Chautauqua County. Then, estimate projected payroll in years 1, 2, and 3, after completion of Project.

	<u>Present</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
Full Time:	\$ <u>128000</u>	\$ <u>133,000</u>	\$ <u>139,000</u>	\$ <u>145000</u>
Part Time:	\$ <u>227000</u>	\$ <u>236,000</u>	\$ <u>245000</u>	\$ <u>255,000</u>

If the Applicant presently operates in Chautauqua County, provide the current number of employees in the following occupations. Then, estimate the projected Full Time Equivalent ("FTE") employees as indicated following completion of the Project:

Current and Planned Occupations	Present Jobs Per Occupation	Est. FTEs Post-Completion:			Est. # of County Residents. by yr. 3
		1 year	2 years	3 years	
Management <i>Head Pro</i>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>      </u>
Professional <i>greens superintendent</i>	<u>1</u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>1</u>
Administrative	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>
Production <i>pro shop staff</i>	<u>1</u>	<u>1</u>	<u>2</u>	<u>2</u>	<u>2</u>
Supervisor	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>
Laborer <i>greens</i>	<u>6</u>	<u>6</u>	<u>6</u>	<u>      </u>	<u>3</u>
Independent Contractor	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>
Other (describe) <i>Bar</i>	<u>1</u>	<u>1</u>	<u>2</u>	<u>2</u>	<u>2</u>

List the average salaries or provide ranges of salaries for the following categories of jobs (on a full-time equivalency basis) projected to be retained/created in Chautauqua County because of the proposed Project:

Category of Jobs to be Retained/Created:	Average Salary or Range of Salary:	Average Fringe Benefits or Range of Fringe Benefits:
Management		
Professional <i>Head Pro</i>	<u>53,000</u>	<u>PGA dues \$500</u>
Administrative		
Production		
Supervisor <i>"Greens"</i>	<u>\$75,000</u>	<u>\$2,000 Retirement</u>
Laborer	<u>\$25,000</u>	<u>N/A</u>
Independent Contractor <sup>1</sup>		
Other		

Please indicate the number of temporary construction jobs anticipated to be created in connection with the acquisition, construction, and/or renovation of the Project: 20

Please note that the Agency may utilize the foregoing employment projections, among other things, to determine the financial assistance that will be offered by the Agency to the Applicant. The Applicant acknowledges that the transaction/bond documents may include a covenant by the Applicant to retain the above number of jobs, types of occupations and amount of payroll with respect to the proposed project.

<sup>1</sup>NOTE: The Agency converts part-time jobs into FTE's for evaluation and reporting purposes by dividing the number of part-time jobs by two (2).

<sup>2</sup>As used in this chart, this category includes employees of independent contractors.

What percentage of the Applicant's total dollar amount of production, sales or services (including production, sales or services rendered following completion of the Project) are made to customers outside the economic development region (i.e., Western New York)?

5-10 %

Describe any municipal revenues that will result from the Project (excluding any PILOT payments):

Sales tax for purchases made in pro shop & bar/restaurant

What is the estimated aggregate annual amount of goods and services to be purchased by the Applicant for each year after completion of the Project, and what portion will be sourced from businesses located in Chautauque County and the State:

	Amount	% Sourced in Chautauque County	% Sourced in State
Year 1	\$ <u>125,000</u>	<u>10</u>	<u>100</u>
Year 2	\$ <u>20,000</u>	<u>100</u>	<u>100</u>
Year 3	\$ _____	_____	_____

Describe, if applicable, other benefits to the Chautauque County anticipated as a result of the Project, including a projected annual estimate of additional sales tax revenue generated, directly and indirectly, as a result of undertaking the project:

Tourism expenditures from non-County & out of State golfers.  
County organizations which hold tournaments @ TCC and fund local  
charities with proceeds

If applicable, has construction/reconstruction/renovation work on the Project begun? If YES, indicate the percentage of completion:

1. (a) Site clearance	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/> <u>100</u> % complete
(b) Environmental Remediation	YES <input type="checkbox"/>	NO <input type="checkbox"/> _____ % complete
(c) Foundation	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/> <u>100</u> % complete
(d) Footings	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/> <u>100</u> % complete
(e) Steel	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/> <u>100</u> % complete
(f) Masonry	YES <input type="checkbox"/>	NO <input type="checkbox"/> _____ % complete
(g) Interior	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/> <u>60</u> % complete
(h) Other (describe below):	YES <input type="checkbox"/>	NO <input type="checkbox"/> <u>90</u> % complete

If NO to all of the above categories, what is the proposed date of commencement of construction, reconstruction, renovation, installation or equipping of the Project?

(H) new septic system

Provide an estimated time schedule to complete the Project and when first use of the Project is expected to occur:

Goal is to have Clubhouse Functional by July 1<sup>st</sup>, dependent  
on equipment deliveries & obtaining Certificate of Occupancy.



## PART V: QUESTIONS

Please answer the following questions. If the answer is "YES" to any question, please provide details in the space provided at the end of the section.

1. Is the Project reasonably necessary to preserve the competitive position of the Applicant, or of a proposed user, occupant or tenant of the Project, in its industry?

YES ☒ NO ☐

2. Is the Project reasonably necessary to discourage the Applicant, or a proposed user, occupant or tenant of the Project, from removing such plant or facility to a location outside of the State of New York?

YES ☐ NO ☒

3. Is there a likelihood that the proposed Project would not be undertaken by the Applicant but for the granting of the financial assistance by the Agency? (If yes, explain; if no, explain why the Agency should grant the financial assistance with respect to the proposed Project).

YES ☒ NO ☐

4. The Applicant certifies that the provisions of Section 862(1) of the General Municipal Law will not be violated if financial assistance is provided by the Agency for the proposed Project.

YES ☒ NO ☐

5. Is an environmental impact statement required by Article 8 of the N.Y. Environmental Conservation Law (i.e., the New York State Environmental Quality Review Act)? If "yes" please complete and attach to the Application.

YES ☐ NO ☒

\*\* Applicants should consult **Exhibit B** in order to determine which version of the New York State Environmental Assessment Form must be submitted with this Application.

6. Will customers personally visit the Project site for "retail sales" of Goods and/or Services? "Retail Sales" means (i) sales by a registered vendor under Article 28 of the Tax Law of the State primarily engaged in the retail sale of tangible personal property, as defined in section 1101(b)(4)(i) of the Tax Law of the State, or (ii) sales of a service to such customers.

Sales of Goods: YES ☒ NO ☐  
Sales of Services: YES ☒ NO ☐

\*\* If the answer to both is "No" please continue to the next page; if the answer to either is "Yes" please answer the four (4) remaining questions.

7. What percentage of the cost of the Project (including that portion of the cost to be financed from equity or sources other than Agency financing) will be expended on such facilities or property primarily used in making retail sales of goods or services to customers who personally visit the Project?

%

8. Is the Project likely to attract a significant number of visitors from outside the economic development region (i.e., Western New York) in which the Project is or will be located?

YES ☒ NO ☐

9. 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 city, town or village within which the Project will be located, because of a lack of reasonably accessible retail trade facilities offering such goods or services?

YES ☒ NO ☐

10. Will the Project be located in one of the following: (a) an area designated as an empire zone pursuant to Article 18-B of the General Municipal Law; or (b) a census tract or block numbering area (or census tract or block numbering area contiguous thereto) which, according to the most recent census data, has (i) a poverty rate of at least 20% for the year in which the data relates, or at least 20% of the households receiving public assistance, and (ii) an unemployment rate of at least 1.25 times the statewide unemployment rate for the year to which the data relates?

YES ☐ NO ☒

Q1: Without this funding from the CCIDA, this project would not be completed and may result in reduced revenue, losses and put Tri County Holdings at a severe competitive disadvantage compared to other local competitors.

Q3: Without this funding from the CCIDA, we would not be able to complete the project, would lose members and revenue.

**NINTH:**

The Applicant authorizes the Agency to make inquiry of the United States Environmental Protection Agency, the New York State Department of Environmental Conservation or any other appropriate federal, state or local governmental agency or authority as to whether the Project site or any property adjacent to or within the immediate vicinity of the Project site is or has been identified as a site at which hazardous substances are being or have been used, stored, treated, generated, transported, processed, handled, produced, released or disposed of. The Applicant will be required to secure the written consent of the owner of the Project site to such inquiries (if the Applicant is not the owner), upon request of the Agency.

I further acknowledge and agree on behalf of the Applicant that, in the event the Agency shall have used all of its available tax-exempt bond financing allocation from the State of New York, if applicable, and shall accordingly be unable to obtain an additional allocation for the benefit of the Applicant, the Agency shall have no liability or responsibility as a result of the inability of the Agency to issue and deliver tax-exempt bonds for the benefit of the Applicant.

Subscribed and affirmed to me this 31<sup>st</sup>  
day of March, 2025

Elizabeth C. McDorman  
ELIZABETH C. McDORMAN  
Notary Public,  
Notary Public, State of New York  
Qualified in Erie County  
Reg. No. 01MC6140106

My Commission Expires 1/17/2026  
The Agency's acceptance of this Application for consideration does not constitute a commitment on the part of the Agency to undertake the proposed Project, to grant any financial assistance with respect to the proposed Project, or to enter into any negotiations with respect to the proposed Project.

Information provided herein may be subject to disclosure under the New York Freedom of Information Law (New York Public Officers Law § 84 et seq.) ("FOIL"). If the Applicant believes that a portion of the material submitted with this Application is protected from disclosure under FOIL, the Applicant should mark the applicable section(s) or page(s) as "confidential" and state the applicable exception to disclosure under FOIL.

Daniel Markof  
Name: \_\_\_\_\_  
Title: TCC Board President

3/31/2025  
DATE



PILOT/Tax Lease Analysis

4/9/25

Project Name: Tri County rebuild

Project Cost \$2,530,000

PILOT

	Current FMV	Current Taxes	Taxes after renovation	PILOT	PILOT Savings
Full Market Value	\$1,752,692		\$3,750,000		
Year 1		\$37,926	\$81,145	\$37,926	\$43,219
Year 2		\$38,305	\$81,957	\$38,305	\$43,651
Year 3		\$38,688	\$82,776	\$38,688	\$44,088
Year 4		\$39,075	\$83,604	\$39,075	\$44,529
Year 5		\$39,466	\$84,440	\$39,466	\$44,974
Year 6		\$39,861	\$85,285	\$39,861	\$45,424
Year 7		\$40,259	\$86,137	\$40,259	\$45,878
Year 8		\$40,662	\$86,999	\$40,662	\$46,337
Year 9		\$41,068	\$87,869	\$41,068	\$46,800
Year 10		\$41,479	\$88,747	\$41,479	\$47,268
Year 11		\$41,894	\$89,635	\$41,894	\$47,741
Year 12		\$42,313	\$90,531	\$42,313	\$48,218
Year 13		\$42,736	\$91,437	\$42,736	\$48,701
Year 14		\$43,163	\$92,351	\$43,163	\$49,188
Year 15		\$43,595	\$93,274	\$43,595	\$49,679
Total	\$1,752,692	\$610,492	\$1,306,187	\$610,492	\$695,695

All estimates. Based on past tax rates.

Tax Rate Town of Hanover	21.638741		
Mortgage amount	\$850,000	Property tax savings	\$695,695
Sales taxable items	\$1,000,000	Sales tax savings	\$75,000
		Mortgage recording	\$10,625
		Application Fee	\$2,000
		Agency fee	\$12,500
		Attorney fees	\$15,000
		Total Savings	\$751,820



## Exhibit B

### State Environmental Quality Review Act Compliance Checklist

The County of Chautauqua Industrial Development Agency ("CCIDA"), pursuant to the State Environmental Quality Review Act ("SEQRA"), must evaluate the environmental impacts of a project before deciding whether to undertake the project. The below checklist is intended to aid Applicants in determining which version of NYSDEC's Environmental Assessment Form ("EAF"), available on NYSDEC's website, to submit as a part of a complete application package to the CCIDA.

If one or more of the below items applies to the project, then a Full EAF must be prepared for submission. If none of the below items apply, then a Short EAF may be submitted. Please note that the below list is not exhaustive, and Applicants who have completed a short EAF may be required to fill out a Full EAF upon review of the project information by the CCIDA. Applicants should consult with their engineers and consultants to aid them in preparing the EAF.

Does the project involve:

- ☐ activities, other than the construction of residential facilities, that meet or exceed any of the following thresholds:
  - ☐ a project or action that involves the physical alteration of 10 acres?
  - ☐ a project or action that would use ground or surface water in excess of 2,000,000 gallons per day?
  - ☐ parking for 500 vehicles?
  - ☐ a facility with more than 100,000 square feet of gross floor area?
- ☐ the expansion of existing nonresidential facilities that meet or exceed any of the following thresholds:
  - ☐ a project or action that involves the physical alteration of 5 acres?
  - ☐ a project or action that would use ground or surface water in excess of 1,000,000 gallons per day?
  - ☐ parking for 250 vehicles?
  - ☐ a facility with more than 50,000 square feet of gross floor area?

activities which meet at least one of the criteria in **both** Columns A **and** B below:

o Column A:

- ☐ occurring wholly or partially within an agricultural district certified by Agriculture and Markets?
- ☐ occurring wholly or partially within, or substantially contiguous to, any historic building, structure, facility, site or district or prehistoric site that is listed on the State or National Register of Historic Places, or has been determined by the Commissioner of the Office of Parks, Recreation and Historic Preservation to be eligible for listing?
- ☐ occurring wholly or partially within or substantially contiguous to any publicly owned or operated parkland, recreation area or designated open space, including any site on the Register of National Natural Landmarks?

o Column B:

- ☐ activities, other than the construction of residential facilities, that meet or exceed any of the following thresholds:
  - ☐ a project or action that involves the physical alteration of 2.5 acres?
  - ☐ a project or action that would use ground or surface water in excess of 500,000 gallons per day?
  - ☐ parking for 125 vehicles?
  - ☐ a facility with more than 25,000 square feet of gross floor area?
- ☐ the expansion of existing nonresidential facilities that meet or exceed any of the following thresholds:
  - ☐ a project or action that involves the physical alteration of 1.25 acres?
  - ☐ a project or action that would use ground or surface water in excess of 250,000 gallons per day?
  - ☐ parking for 63 vehicles?
  - ☐ a facility with more than 12,500 square feet of gross floor area?

617.20  
Appendix B  
Short Environmental Assessment Form

**Instructions for Completing**

**Part 1 - Project Information.** The applicant or project sponsor is responsible for the completion of Part 1. Responses become part of the application for approval or funding, are subject to public review, and may be subject to further verification. Complete Part 1 based on information currently available. If additional research or investigation would be needed to fully respond to any item, please answer as thoroughly as possible based on current information.

Complete all items in Part 1. You may also provide any additional information which you believe will be needed by or useful to the lead agency; attach additional pages as necessary to supplement any item.

<b>Part 1 - Project and Sponsor Information</b>							
Name of Action or Project: <div style="font-family: cursive; font-size: 1.2em;">Tri County Country Club clubhouse construction</div>							
Project Location (describe, and attach a location map):  							
Brief Description of Proposed Action: <div style="font-family: cursive; font-size: 1.2em;">Demolition of clubhouse destroyed in Oct. 2023 Fire. Construction of new Facility</div>							
Name of Applicant or Sponsor: <div style="font-family: cursive; font-size: 1.2em;">Tri County Holding Corp</div>		Telephone: 716-965-2053 E-Mail: dretzig@pga.com (head pro)					
Address: <div style="font-family: cursive; font-size: 1.2em;">540 Route 39</div>							
City/PO: <div style="font-family: cursive; font-size: 1.2em;">Forestville</div>		State: <div style="font-family: cursive; font-size: 1.2em;">NY</div>	Zip Code: <div style="font-family: cursive; font-size: 1.2em;">14062</div>				
1. Does the proposed action only involve the legislative adoption of a plan, local law, ordinance, administrative rule, or regulation? If Yes, attach a narrative description of the intent of the proposed action and the environmental resources that may be affected in the municipality and proceed to Part 2. If no, continue to question 2.			<table border="1" style="width: 100%; border-collapse: collapse;"><tr><td style="width: 50%; padding: 2px;">NO</td><td style="width: 50%; padding: 2px;">YES</td></tr><tr><td style="text-align: center; padding: 5px;"><div style="font-size: 1.5em;">X</div></td><td style="text-align: center; padding: 5px;"></td></tr></table>	NO	YES	<div style="font-size: 1.5em;">X</div>	
NO	YES						
<div style="font-size: 1.5em;">X</div>							
2. Does the proposed action require a permit, approval or funding from any other governmental Agency? If Yes, list agency(s) name and permit or approval: <div style="font-family: cursive; font-size: 1.2em;">All permits are already in place.</div>			<table border="1" style="width: 100%; border-collapse: collapse;"><tr><td style="width: 50%; padding: 2px;">NO</td><td style="width: 50%; padding: 2px;">YES</td></tr><tr><td style="text-align: center; padding: 5px;"><div style="font-size: 1.5em;">X</div></td><td style="text-align: center; padding: 5px;"></td></tr></table>	NO	YES	<div style="font-size: 1.5em;">X</div>	
NO	YES						
<div style="font-size: 1.5em;">X</div>							
3.a. Total acreage of the site of the proposed action? <div style="float: right; text-align: right;"><div style="font-family: cursive; font-size: 1.2em;">127.8</div> acres</div>							
b. Total acreage to be physically disturbed? <div style="float: right; text-align: right;"><div style="font-family: cursive; font-size: 1.2em;">0.5</div> acres</div>							
c. Total acreage (project site and any contiguous properties) owned or controlled by the applicant or project sponsor? <div style="float: right; text-align: right;"><div style="font-family: cursive; font-size: 1.2em;">127.8</div> acres</div>							
4. Check all land uses that occur on, adjoining and near the proposed action. <div style="display: flex; flex-wrap: wrap; padding: 5px;"><div style="width: 50%;"><input type="checkbox"/> Urban</div><div style="width: 50%;"><input type="checkbox"/> Rural (non-agriculture)</div><div style="width: 50%;"><input type="checkbox"/> Industrial</div><div style="width: 50%;"><input checked="" type="checkbox"/> Commercial</div><div style="width: 50%;"><input type="checkbox"/> Residential (suburban)</div><div style="width: 50%;"><input type="checkbox"/> Forest</div><div style="width: 50%;"><input type="checkbox"/> Agriculture</div><div style="width: 50%;"><input type="checkbox"/> Aquatic</div><div style="width: 50%;"><input type="checkbox"/> Other (specify): _____</div><div style="width: 50%;"><input type="checkbox"/> Parkland</div></div>							



5. Is the proposed action, a. A permitted use under the zoning regulations?	NO	YES	N/A
b. Consistent with the adopted comprehensive plan?		X	
6. Is the proposed action consistent with the predominant character of the existing built or natural landscape?	NO	YES	
7. Is the site of the proposed action located in, or does it adjoin, a state listed Critical Environmental Area? If Yes, identify: _____		X	
8. a. Will the proposed action result in a substantial increase in traffic above present levels?	NO	YES	
b. Are public transportation service(s) available at or near the site of the proposed action?	X		
c. Are any pedestrian accommodations or bicycle routes available on or near site of the proposed action?	X		
9. Does the proposed action meet or exceed the state energy code requirements? If the proposed action will exceed requirements, describe design features and technologies: <u>meets code</u>	NO	YES	
10. Will the proposed action connect to an existing public/private water supply? [If Yes, does the existing system have capacity to provide service? <input type="checkbox"/> NO <input checked="" type="checkbox"/> YES] If No, describe method for providing potable water: _____	NO	YES	
11. Will the proposed action connect to existing wastewater utilities? [If Yes, does the existing system have capacity to provide service? <input type="checkbox"/> NO <input type="checkbox"/> YES] If No, describe method for providing wastewater treatment: <u>SPDES DEC 9-0646-00180/00063</u> <u>new septic system included in the project</u>	NO	YES	
12. a. Does the site contain a structure that is listed on either the State or National Register of Historic Places?	NO	YES	
b. Is the proposed action located in an archeological sensitive area?	X		
13. a. Does any portion of the site of the proposed action, or lands adjoining the proposed action, contain wetlands or other waterbodies regulated by a federal, state or local agency?	NO	YES	
b. Would the proposed action physically alter, or encroach into, any existing wetland or waterbody? If Yes, identify the wetland or waterbody and extent of alterations in square feet or acres: _____	X		
14. Identify the typical habitat types that occur on, or are likely to be found on the project site. Check all that apply: <input type="checkbox"/> Shoreline <input checked="" type="checkbox"/> Forest <input type="checkbox"/> Agricultural/grasslands <input type="checkbox"/> Early mid-successional <input type="checkbox"/> Wetland <input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban			
15. Does the site of the proposed action contain any species of animal, or associated habitats, listed by the State or Federal government as threatened or endangered?	NO	YES	
16. Is the project site located in the 100 year flood plain?	NO	YES	
17. Will the proposed action create storm water discharge, either from point or non-point sources? If Yes, a. Will storm water discharges flow to adjacent properties? <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES b. Will storm water discharges be directed to established conveyance systems (runoff and storm drains)? If Yes, briefly describe: _____	NO	YES	



18. Does the proposed action include construction or other activities that result in the impoundment of water or other liquids (e.g. retention pond, waste lagoon, dam)? If Yes, explain purpose and size: _____	NO X	YES
19. Has the site of the proposed action or an adjoining property been the location of an active or closed solid waste management facility? If Yes, describe: _____	NO X	YES
20. Has the site of the proposed action or an adjoining property been the subject of remediation (ongoing or completed) for hazardous waste? If Yes, describe: _____	NO X	YES
<b>I AFFIRM THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND ACCURATE TO THE BEST OF MY KNOWLEDGE</b> Applicant/sponsor name: <u>TCCC Daniel Saszka Jr</u> Date: <u>3/30/2025</u> Signature: <u>Danl Saszka Jr</u>		

**Part 2 - Impact Assessment. The Lead Agency is responsible for the completion of Part 2.** Answer all of the following questions in Part 2 using the information contained in Part 1 and other materials submitted by the project sponsor or otherwise available to the reviewer. When answering the questions the reviewer should be guided by the concept "Have my responses been reasonable considering the scale and context of the proposed action?"

	No, or small impact may occur	Moderate to large impact may occur
1. Will the proposed action create a material conflict with an adopted land use plan or zoning regulations?		
2. Will the proposed action result in a change in the use or intensity of use of land?		
3. Will the proposed action impair the character or quality of the existing community?		
4. Will the proposed action have an impact on the environmental characteristics that caused the establishment of a Critical Environmental Area (CEA)?		
5. Will the proposed action result in an adverse change in the existing level of traffic or affect existing infrastructure for mass transit, biking or walkway?		
6. Will the proposed action cause an increase in the use of energy and it fails to incorporate reasonably available energy conservation or renewable energy opportunities?		
7. Will the proposed action impact existing: a. public / private water supplies? b. public / private wastewater treatment utilities?		
8. Will the proposed action impair the character or quality of important historic, archaeological, architectural or aesthetic resources?		
9. Will the proposed action result in an adverse change to natural resources (e.g., wetlands, waterbodies, groundwater, air quality, flora and fauna)?		

	No, or small impact may occur	Moderate to large impact may occur
10. Will the proposed action result in an increase in the potential for erosion, flooding or drainage problems?		
11. Will the proposed action create a hazard to environmental resources or human health?		

**Part 3 - Determination of significance. The Lead Agency is responsible for the completion of Part 3.** For every question in Part 2 that was answered "moderate to large impact may occur", or if there is a need to explain why a particular element of the proposed action may or will not result in a significant adverse environmental impact, please complete Part 3. Part 3 should, in sufficient detail, identify the impact, including any measures or design elements that have been included by the project sponsor to avoid or reduce impacts. Part 3 should also explain how the lead agency determined that the impact may or will not be significant. Each potential impact should be assessed considering its setting, probability of occurring, duration, irreversibility, geographic scope and magnitude. Also consider the potential for short-term, long-term and cumulative impacts.

- ☐ Check this box if you have determined, based on the information and analysis above, and any supporting documentation, that the proposed action may result in one or more potentially large or significant adverse impacts and an environmental impact statement is required.
- ☐ Check this box if you have determined, based on the information and analysis above, and any supporting documentation, that the proposed action will not result in any significant adverse environmental impacts.

\_\_\_\_\_  
Name of Lead Agency

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print or Type Name of Responsible Officer in Lead Agency

\_\_\_\_\_  
Title of Responsible Officer

\_\_\_\_\_  
Signature of Responsible Officer in Lead Agency

\_\_\_\_\_  
Signature of Preparer (if different from Responsible Officer)

page 4 Section D

- 3) Construction 60% of est. cost paid to GC
- 7 architectural fees \$80,000 paid to date

**Public Hearing**  
**Tri-County Holding Corporation**  
**Hanover Town Court**  
**68 Hanover Street**  
**Silver Creek, NY 14136**  
**May 22, 20**  
**10:00 AM**





County of Chautauqua Industrial Development Agency

## Public Hearing Attendance Sheet

Project: Tri-County Holding Corporation

Public Hearing Location: Hanover Town Court, 68 Hanover Street, Silver Creek, NY 14136

Public Hearing Date and Time: May 22, 2025 at 10:00 AM

Full Name (Please Print)

Signature

Affiliation

- |     |                    |                    |                 |
|-----|--------------------|--------------------|-----------------|
| 1.  | Rosie Strandburg   | R. Strandburg      | CCIDA           |
| 2.  | Jeanne Ebersole    | Jeanne Ebersole    | Hanover         |
| 3.  | Greg Petersen      | Greg Petersen      | Phillips Little |
| 4.  | Louis F. Pelletier | Louis F. Pelletier | Hanover         |
| 5.  |                    |                    |                 |
| 6.  |                    |                    |                 |
| 7.  |                    |                    |                 |
| 8.  |                    |                    |                 |
| 9.  |                    |                    |                 |
| 10. |                    |                    |                 |
| 11. |                    |                    |                 |
| 12. |                    |                    |                 |
| 13. |                    |                    |                 |



MS. STRANDBURG: Good morning. My name is Rosie Strandburg. I am a Project Manager and a duly authorized hearing officer of the County of Chautauqua Industrial Development Agency (the “Agency”) and I have been authorized to hold a public hearing pursuant to Section 859-a of the New York General Municipal Law, as amended (the “Act”).

Today is May 22, 2025 and the time is now 10:00 a.m. We are at Hanover Town Court, 68 Hanover Street, Town of Hanover, County of Chautauqua, New York.

The Agency has received an application for financial assistance in connection with the following matter:

TRI-COUNTY HOLDING CORPORATION, a corporation duly organized and existing under the laws of the State of New York (the “Applicant”), presented an application for financial assistance (the “Application”) to the Agency, which Application requested that the Agency consider undertaking a project (the “Project”) consisting of the following: (A)(1) the acquisition of an interest in a parcel of land located at 540 Route 39 and Hanover Road, Forestville, Town of Hanover, County of Chautauqua, New York (the “Land”), (2) the demolition of the existing improvements on the Land, (3) the construction of an approximately 12,816 square foot building on the Land (the “Building”), together with related improvements to the Land, and (4) the acquisition of certain furniture, fixtures, machinery, equipment and building materials necessary for the completion thereof (the “Equipment” and together with the Land and the Building, collectively, the “Project Facility”), all of the foregoing for use as a tourism destination project consisting of a country club clubhouse including bar and restaurant space; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the General Municipal Law) with respect to the foregoing in the form of potential exemptions or partial exemptions from sales and use taxes, mortgage recording taxes and real property taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase), license or sale of the Project Facility to the Applicant or such other entity(ies) as may be designated by the Applicant and agreed upon by the Agency.

The Project Facility would be initially owned, operated and/or managed by the Applicant (or such other designated entity(ies)).

The Applicant (or such other designated entity(ies)) would receive the Financial Assistance from the Agency in the form of potential exemptions or partial exemptions from real property taxes, mortgage recording taxes and sales and use taxes.

Notice of this public hearing was published in *The Observer* on May 6, 2025 and provided to the Chief Executive Officer of each affected tax jurisdiction within which the Project Facility is or will be located by letter dated May 5, 2025.

The purpose of this public hearing is to provide an opportunity for all interested parties to present their views, both orally and in writing, with respect to the granting of the Financial Assistance contemplated by the Agency or the location or nature of the Project. As set forth in the notice of this public hearing, comments may also be submitted to the Agency in writing or electronically at the following email address: [Strandbr@chqgov.com](mailto:Strandbr@chqgov.com).

Subject to applicable law, copies of the Application, including an analysis of the costs and benefits of the Project, are available for review by the public online at [www.ccida.com](http://www.ccida.com).

This public hearing is being streamed on the Agency's website in real-time and a video recording of this public hearing is being made and will be posted on the Agency's website, all in accordance with Section 857 of the New York General Municipal Law, as amended. In addition, a report or summary of this hearing will be made and such report or summary of all comments received by the Agency shall be provided to the Agency's members and posted on the Agency's website. Comments received in writing will be also be included in the report and any summary of this public hearing.

Is there anyone wishing to be heard with respect to the Project or the Financial Assistance?

MS. STRANDBURG: It is now 10:04 a.m. Let the record show that, no members of the public have indicated a desire to comment with respect to the Project or the Financial Assistance. No written comments have been received by the Agency with respect to the Project or the Financial Assistance. I therefore call this hearing to a close.

(TIME NOTED: 10:04 a.m.)

# Chautauqua County Industrial Development Agency

## MRB Cost Benefit Calculator

Date April 14, 2025  
Project Title Tri-County Holding Corporation  
Project Location 540 Route 39, Forestville, NY 14062

## Economic Impacts

Summary of Economic Impacts over the Life of the PILOT

### Project Total Investment

\$2,530,000

### Temporary (Construction)

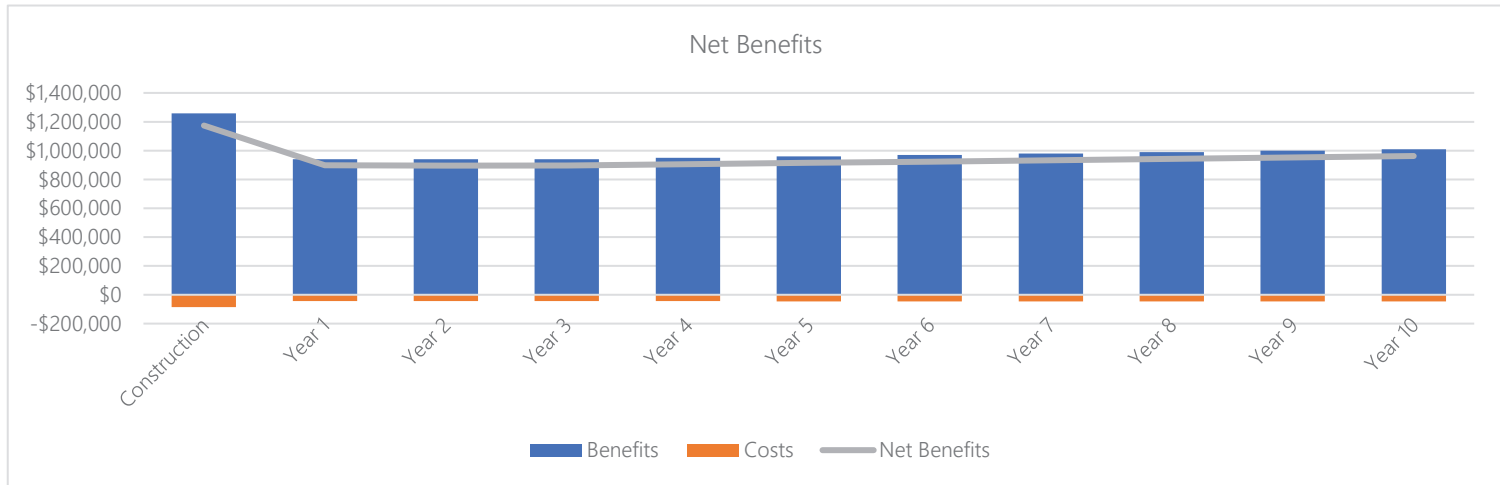
	Direct	Indirect	Total
Jobs	15	5	20
Earnings	\$936,468	\$252,675	\$1,189,142
Local Spend	\$2,430,000	\$831,488	\$3,261,488

### Ongoing (Operations)

Aggregate over life of the PILOT

	Direct	Indirect	Total
Jobs	10	2	12
Earnings	\$10,370,919	\$3,670,727	\$14,041,646

Figure 1



Net Benefits chart will always display construction through year 10, irrespective of the length of the PILOT.

Figure 2

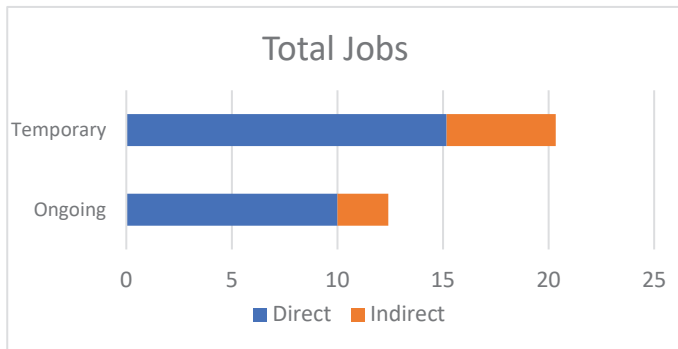
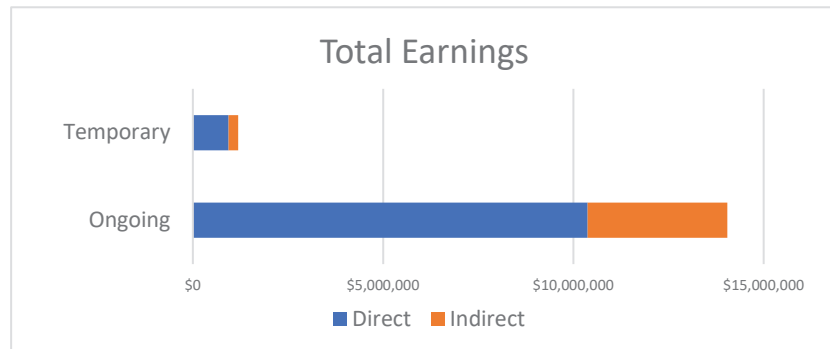


Figure 3



Ongoing earnings are all earnings over the life of the PILOT.

# Fiscal Impacts

## Estimated Costs of Exemptions

	Nominal Value	Discounted Value*
Property Tax Exemption	\$695,692	\$593,755
Sales Tax Exemption	\$75,000	\$75,000
Local Sales Tax Exemption	\$37,500	\$37,500
State Sales Tax Exemption	\$37,500	\$37,500
Mortgage Recording Tax Exemption	\$10,625	\$10,625
Local Mortgage Recording Tax Exemption	\$4,250	\$4,250
State Mortgage Recording Tax Exemption	\$6,375	\$6,375
<b>Total Costs</b>	<b>\$781,317</b>	<b>\$679,380</b>

## State and Local Benefits

	Nominal Value	Discounted Value*
<b>Local Benefits</b>	<b>\$15,337,404</b>	<b>\$13,268,739</b>
To Private Individuals	<b>\$15,230,788</b>	<b>\$13,176,503</b>
Temporary Payroll	\$1,189,142	\$1,189,142
Ongoing Payroll	\$14,041,646	\$11,987,361
Other Payments to Private Individuals	\$0	\$0
To the Public	<b>\$106,616</b>	<b>\$92,236</b>
Increase in Property Tax Revenue	\$0	\$0
Temporary Jobs - Sales Tax Revenue	\$8,324	\$8,324
Ongoing Jobs - Sales Tax Revenue	\$98,292	\$83,912
Other Local Municipal Revenue	\$0	\$0
<b>State Benefits</b>	<b>\$792,001</b>	<b>\$685,178</b>
To the Public	<b>\$792,001</b>	<b>\$685,178</b>
Temporary Income Tax Revenue	\$53,511	\$53,511
Ongoing Income Tax Revenue	\$631,874	\$539,431
Temporary Jobs - Sales Tax Revenue	\$8,324	\$8,324
Ongoing Jobs - Sales Tax Revenue	\$98,292	\$83,912
<b>Total Benefits to State &amp; Region</b>	<b>\$16,129,405</b>	<b>\$13,953,917</b>

## Benefit to Cost Ratio

	Benefit*	Cost*	Ratio
Local	\$13,268,739	\$635,505	21:1
State	\$685,178	\$43,875	16:1
<b>Grand Total</b>	<b>\$13,953,917</b>	<b>\$679,380</b>	<b>21:1</b>

\*Discounted at 2%

## Additional Comments from IDA

This is a good project.

Does the IDA believe that the project can be accomplished in a timely fashion?

Yes

## Maplevale Farms, Inc. Due Diligence Resolution

A regular meeting of the County of Chautauqua Industrial Development Agency (the “Agency”) was convened in public session on June 24, 2025, at 10:30 A.M., local time, at the offices of the Agency located at 201 West 3rd Street, Jamestown, County of Chautauqua, New York (the “IDA Office”).

The meeting was called to order by the \_\_\_\_\_ and, upon roll being called, the following members of the Agency were:

### PRESENT:

Gary Henry	Chairman
Dan Heitzenrater	Vice Chairman
Amy Harding	Secretary
Sagan Sheffield-Smith	Treasurer
John Healy	Member
Daniel DeMarte	Member
Tom Harmon	Member
Kevin Muldowney	Member
Ted Wightman	Member

### NOT PRESENT:

### THE FOLLOWING ADDITIONAL PERSONS WERE PRESENT:

Mark Geise	Administrative Director/CEO
Shelby Bilskie	Chief Financial Officer
Milan K. Tyler, Esq.	Counsel

The attached resolution no. 06-24-25-03 was offered by \_\_\_\_\_, seconded by \_\_\_\_\_:



Resolution No. 06-24-25-03

RESOLUTION AUTHORIZING DUE DILIGENCE TOWARD THE  
ACQUISITION AND STRAIGHT LEASING OF A CERTAIN PROJECT FOR  
MAPLEVALE FARMS, INC. AND/OR ITS AFFILIATES AND AUTHORIZING THE  
EXECUTION AND DELIVERY OF A PRELIMINARY AGREEMENT WITH RESPECT  
TO SUCH TRANSACTION

WHEREAS, the County of Chautauqua Industrial Development Agency (the “Agency”) is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title I of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the “Enabling Act”), and Chapter 71 of the 1972 Laws of New York, as amended, constituting Section 895-h of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the “Act”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of manufacturing, industrial and commercial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more “projects” (as defined in the Act) or to cause said projects to be acquired, constructed, reconstructed and installed and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, MAPLEVALE FARMS, INC., a corporation duly organized and existing under the laws of the State of New York, on behalf of itself and/or the principals of Maplevale Farms, Inc. and/or an entity or entities formed or to be formed on behalf of any of the foregoing (collectively, the “Applicant”), presented an application for financial assistance (the “Application”) to the Agency, which Application requested that the Agency consider undertaking a project (the “Project”) consisting of the following: (A)(1) the acquisition of an interest in an approximately 194 acre parcel of land known as 3196 Route 426, Findley Lake, Town of Mina, County of Chautauqua, New York (Tax Map Parcel ID Nos. 342.00-1-1) (the “Land”), (2) the construction of an approximately 144,405 square foot building on the Land, together with related improvements to the Land (the “Building”), and (3) the acquisition of certain furniture, fixtures, machinery, equipment and building materials necessary for the completion thereof (collectively, the “Equipment”, and together with the Land and the Building, the “Facility”), all of the foregoing for use by the Applicant as a refrigerated food warehouse and distribution facility; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the General Municipal Law) with respect to the foregoing in the form of potential exemptions or partial exemptions from sales and use taxes, mortgage recording taxes and real property taxes (collectively, the “Financial Assistance”); and (C) the lease (with an

obligation to purchase), license or sale of the Project Facility to the Applicant or such other entity(ies) as may be designated by the Applicant and agreed upon by the Agency; and

WHEREAS, the Agency has given due consideration to the Application and to the representations made by the Applicant therein, in certain supplemental documents and at this meeting, including, without limitation, representations of the Applicant that: (A) the granting by the Agency of the Financial Assistance with respect to the Project will be an inducement to the Applicant to undertake the Project in the County of Chautauqua, New York; (B) the completion of the Project and the leasing and operation of the Project Facility by the Applicant and/or its related designee will not result in the removal of a facility or plant of the Applicant, such related designee or any other occupant of the Project Facility from one area of the State of New York (the "State") to another area of the State, however the Project may involve the removal or abandonment of a facility or plant within the State, as contemplated by Section 859-a(5)(d) of the Act; (C) the Project Facility will not constitute a project where facilities or property that are primarily used in making retail sales of goods and/or services to customers who personally visit such facilities constitute more than one-third of the total cost of the Project; (D) the Project will serve the public purposes of the Act by preserving permanent, private sector jobs and increasing the overall number of permanent, private sector jobs in the State; and (E) the granting of the Financial Assistance by the Agency will promote the job opportunities, health, general prosperity and economic welfare of the inhabitants of the County of Chautauqua, New York, and improve their standard of living, and prevent unemployment and economic deterioration, and thereby serve the public purposes of the Act; and

WHEREAS, any approval of the Project is contingent upon, among other things, a final determination by the members of the Agency to proceed with the Project following determinations by the Agency that: (A) the public hearing and notice requirements and other procedural requirements contained in the Act relating to the Project and the Financial Assistance have been satisfied; and (B) the undertaking of the Project by the Agency and the granting of the Financial Assistance are and will be in compliance with all other applicable requirements of the Act, Article 8 of the Environmental Conservation Law (the "SEQR Act") and the regulations adopted pursuant thereto (the "Regulations" and together with the SEQR Act, collectively, "SEQRA"), and all other statutes, codes, laws, rules and regulations of any governmental authority having jurisdiction over the Project or the Project Facility (collectively, the "Applicable Laws"); and

WHEREAS, the portion of the Financial Assistance consisting of an exemption from real property taxes, if granted, may represent a deviation from the Agency's uniform tax exemption policy and guidelines with respect to the making of payments in lieu of real property taxes; and

WHEREAS, the Agency desires to encourage the Applicant to preserve and advance the job opportunities, health, general prosperity and economic welfare of the people of the County of Chautauqua, New York, and to prevent unemployment and economic deterioration, by undertaking the Project in the County of Chautauqua, New York; and

WHEREAS, although a resolution authorizing the undertaking of the Project has not yet been submitted for approval by the Agency, a preliminary agreement (the "Preliminary

Agreement”) relative to the proposed undertaking of the Project by the Agency has been presented for approval by the Agency;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE COUNTY OF CHAUTAUQUA INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. The Agency hereby authorizes the Administrative Director/CEO of the Agency, prior to the granting of any Financial Assistance with respect to the Project: (A) to establish a time, date and place (if applicable) for a public hearing (the “Public Hearing”) of the Agency to hear all persons interested in the location and nature of the Project and the proposed Financial Assistance being contemplated by the Agency with respect to the Project, said Public Hearing to be held in the city, town or village within which the Project Facility is or will be located, subject to Applicable Laws; (B) to cause notice of said Public Hearing to be given to the public by publishing a notice of said Public Hearing in a newspaper of general circulation available to residents of the governmental units within which the Project Facility is or will be located, such notice to comply with the requirements of and to be published in accordance with the requirements of the Act; (C) to cause notice of said Public Hearing, pursuant to the Act, to be given to the chief executive officer of the County of Chautauqua, New York, and of each city, town, village, school district and other affected tax jurisdiction in which the Project Facility is or will be located; (D) to conduct the Public Hearing or to authorize a hearing officer to conduct the Public Hearing in accordance with the Act; (E) to cause a report of the Public Hearing fairly summarizing the views presented at said Public Hearing to be promptly prepared and cause copies of said report to be made available to the members of the Agency; (F) to establish a time, date and place (if applicable) for a meeting of the Agency (the “IDA Meeting”) to consider whether to approve a proposed deviation from the Agency’s uniform tax exemption policy in accordance with the Act if the Administrative Director/CEO determines that the portion of the Financial Assistance consisting of an exemption from real property taxes constitutes a deviation from such policy; (G) to cause notice of any such proposed deviation from the Agency’s uniform tax exemption policy and of the IDA Meeting to be given to the affected tax jurisdictions in accordance with the Act; and (H) to otherwise comply with all other procedural and other requirements imposed on the Agency pursuant to Applicable Laws with respect to the Project and/or the Financial Assistance.

Section 2. The Applicant is hereby authorized to conduct such environmental, engineering, economic, feasibility and other studies and preliminary planning and budgetary processes necessary or convenient to enable the Agency to make its determination whether to proceed with the Project and to grant the Financial Assistance; provided, however, that such authorization shall not entitle or permit the Applicant to commence the acquisition, construction, installation or equipping of the Project Facility unless and until the Agency shall determine that all requirements of Applicable Laws have been fulfilled. The officers, agents and employees of the Agency are hereby directed to proceed to do such things or perform such acts as may allow the Agency to proceed to its final consideration of the Project. This Resolution constitutes an authorization to conduct concurrent environmental, engineering, economic, feasibility and other studies and preliminary planning with respect to the Project within the meaning of Section 617.3(c)(2) of the Regulations and a determination of compliance with technical requirements within the meaning of Section 617.3(c)(2) of the Regulations and does not constitute, and shall

not be deemed to constitute, either an approval by the Agency of the Project for the purposes of the Act or SEQRA or a commitment by the Agency to approve the Project or to grant the Financial Assistance.

Section 3. Any expenses incurred by the Agency with respect to the Project and the financing thereof shall be paid by the Applicant as set forth in the Preliminary Agreement.

Section 4. The findings of the Agency set forth herein are expressly conditioned upon full compliance of the Applicant, the Project and the Project Facility with all Applicable Laws, and the Applicant shall be required to provide evidence of same satisfactory to the Agency prior to the granting of any Financial Assistance.

Section 5. If, following full compliance with all Applicable Laws, the Agency adopts a future resolution (the "Future Resolution") determining to proceed with the Project and to grant the Financial Assistance, or any portion thereof, with respect to the Project and the Applicant complies with all conditions set forth in the Preliminary Agreement and the Future Resolution, then the Agency will (A) acquire an interest in the Project Facility pursuant to a deed, lease agreement, assignment of lease, license, bill of sale and/or other documentation to be negotiated between the Agency and the Applicant (the "Company Lease"); (B) lease (with the obligation to purchase), license or sell the Project Facility to the Applicant or related designee pursuant to an agency lease agreement or an installment sale agreement (the "Agency Lease") to be negotiated between the Agency and the Applicant; and (C) provide the Financial Assistance with respect to the Project, all as contemplated by the Preliminary Agreement and the Future Resolution.

Section 6. The form, terms and substance of the Preliminary Agreement (in substantially the form presented at this meeting) are in all respects approved, and the Chairman, Vice Chairman, Administrative Director/CEO and Chief Financial Officer of the Agency are each hereby authorized, empowered and directed, acting individually or jointly, to execute and deliver said Preliminary Agreement in the name and on behalf of the Agency, with such changes therein as shall be approved by the officer executing same on behalf of the Agency, the execution thereof by such officer to constitute conclusive evidence of such officer's approval of any and all changes or revisions therein from the form now before this meeting, and the Agency hereby ratifies and approves any action heretofore taken by the Agency with respect to the Preliminary Agreement.

Section 7. From and after the execution and delivery of the Preliminary Agreement, the officers, agents and employees of the Agency are hereby authorized, empowered and directed, acting individually or jointly, to proceed with the undertakings provided for therein on the part of the Agency, and are further authorized to do all such acts and things and to execute all such documents as may be necessary or convenient to carry out and comply with the terms and provisions of the Preliminary Agreement as and when executed.

Section 8. The law firm of Phillips Lytle LLP, Jamestown, New York, is hereby appointed Counsel to the Agency with respect to all matters in connection with the Project. Counsel for the Agency is hereby authorized, at the expense of the Applicant, to work with the

Applicant, counsel to the Applicant, and others to prepare, for submission to the Agency, all documents necessary to effect the transactions contemplated by this Resolution.

Section 9. The Chairman, Vice Chairman, Administrative Director/CEO and Chief Financial Officer of the Agency are each hereby authorized and directed to distribute copies of this Resolution to the Applicant and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 10. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

Gary Henry	VOTING
Dan Heitzenrater	VOTING
Amy Harding	VOTING
Sagan Sheffield-Smith	VOTING
John Healy	VOTING
Daniel DeMarte	VOTING
Tom Harmon	VOTING
Kevin Muldowney	VOTING
Ted Wightman	VOTING

The foregoing Resolution was thereupon declared duly \_\_\_\_\_.

STATE OF NEW YORK                    )  
  ) SS.:  
COUNTY OF CHAUTAUQUA            )

WE, the undersigned officers of the County of Chautauqua Industrial Development Agency (the “Agency”), DO HEREBY CERTIFY that we have compared the foregoing extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on June 24, 2025 with the original thereof on file in our offices, and that the same is a true and correct copy of said original and of such Resolution set forth therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

WE FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the “Open Meetings Law”), said meeting was open to the general public at both locations at which members of the Agency were present, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; (D) there was a quorum of the members of the Agency present throughout said meeting; and (E) the meeting was recorded and the recording has been or will be posted on the public website of the Agency pursuant to the Open Meetings Law.

WE FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, we have hereunto set our hand this 24th day of June, 2025.

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[Assistant] Secretary

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[Vice] Chairman



## PRELIMINARY AGREEMENT

THIS PRELIMINARY AGREEMENT (this "Preliminary Agreement") dated as of the 24<sup>th</sup> day of June, 2025, between the COUNTY OF CHAUTAUQUA INDUSTRIAL DEVELOPMENT AGENCY (the "Agency"), a public benefit corporation organized and existing under the laws of the State of New York, and MAPLEVALE FARMS, INC., a corporation duly organized and existing under the laws of the State of New York (the "Applicant").

### WITNESSETH:

WHEREAS, the Agency is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title I of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act"), and Chapter 71 of the 1972 Laws of New York, as amended, constituting Section 895-h of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of manufacturing, industrial and commercial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more "projects" (as defined in the Act) or to cause said projects to be acquired, constructed, reconstructed and installed and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, the Applicant presented an application for financial assistance (the "Application") to the Agency, which Application requested that the Agency consider undertaking a project (the "Proposed Project") consisting of the following: (A)(1) the acquisition of an interest in an approximately 194 acre parcel of land known as 3196 Route 426, Findley Lake, Town of Mina, County of Chautauqua, New York (Tax Map Parcel ID Nos. 342.00-1-1) (the "Land"), (2) the construction of an approximately 144,405 square foot building on the Land, together with related improvements to the Land (the "Building"), and (3) the acquisition of certain furniture, fixtures, machinery, equipment and building materials necessary for the completion thereof (collectively, the "Equipment", and together with the Land and the Building, the "Facility"), all of the foregoing for use by the Applicant as a refrigerated food warehouse and distribution facility; (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the General Municipal Law) with respect to the foregoing in the form of potential exemptions or partial exemptions from sales and use taxes, mortgage recording taxes and real property taxes (collectively, the "Financial Assistance"); and (C) the lease (with an obligation to purchase), license or sale of the Project Facility to the Applicant or such other entity(ies) as may be designated by the Applicant and agreed upon by the Agency; and

WHEREAS, the members of the Agency held a meeting on June 24, 2025 and approved a resolution (the "Preliminary Resolution") requiring the execution and delivery of this Preliminary Agreement by the Applicant and authorizing its execution and delivery by the Agency, and authorizing the Agency to pursue preliminary action toward the undertaking of the Proposed Project;

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the Agency and the Applicant agree as follows:

Article 1. Representations; No Commitments.

Section 1.01. The Applicant hereby represents to the Agency that:

(A) Based on the proposed use of the Project Facility, the economic effects of the Proposed Project on the area in which it is situated, the employment reasonably expected to be created by the acquisition, construction, installation, equipping and operation of the Project Facility, and an analysis of how the Proposed Project would contribute to the realization of the public purposes of promoting job opportunities in the County of Chautauqua (the "County"), and the prevention of economic deterioration in the County, the Proposed Project would constitute a commercial facility with a significant impact on the area in which it is situated, and would advance the Agency's purposes by promoting job opportunities and preventing economic deterioration in the County. Therefore, the Proposed Project would constitute a "project" within the meaning of the Act.

(B) The execution, delivery and performance by the Applicant of this Preliminary Agreement have been duly authorized by all necessary company action, and this Preliminary Agreement has been duly executed and delivered by the Applicant and is the legal, valid and binding obligation of the Applicant enforceable against the Applicant in accordance with its terms.

(C) The Applicant plans to invest a total of at least \$41,363,542 in the Project Facility.

(D) The undertaking of the Proposed Project will not result in the removal of a facility or plant of the Applicant, any designee or any other occupant of the Project Facility from one area of the State of New York to another area of the State of New York, however the Project may involve the removal or abandonment of a facility or plant within the State, as contemplated by Section 859-a(5)(d) of the Act. Therefore, the provisions of subdivision (1) of Section 862 of the Act would not be violated as a result of the granting of the Financial Assistance by the Agency to the Applicant.

(E) Each owner, occupant or operator that would receive Financial Assistance with respect to the Proposed Project is in substantial compliance with applicable federal, state and local tax, worker protection and environmental laws, rules and regulations.

(F) As of the date of this Preliminary Agreement, the Applicant is in substantial compliance with all provisions of Article 18-A of the General Municipal Law, including, but not limited to, the provisions of Section 859-a and Section 862(1) thereof.

(G) The granting by the Agency of the Financial Assistance with respect to the Proposed Project would be an inducement to the Applicant to undertake the Proposed Project in the County.

(H) The Applicant would not undertake the Proposed Project in the County without the granting of the Financial Assistance by the Agency.

(I) The Project Facility is located entirely within the boundaries of the Town of Mina, is not located within the boundaries of any incorporated village or city, and is located within the boundaries of the Clymer Central School District.

Section 1.02. This Preliminary Agreement does not commit the Agency to undertake the Proposed Project or to grant to the Applicant any Financial Assistance with respect to the Proposed Project. The members of the Agency shall decide, in their sole and absolute discretion, whether or not to undertake the Proposed Project and to grant such Financial Assistance, and then only following a determination by the members of the Agency that all requirements of applicable laws, rules and regulations and the policies and procedures of the Agency (collectively, "Legal Requirements") have been fulfilled.

## Article 2. Undertakings on the Part of the Agency.

Based upon the statements, representations and undertakings of the Applicant, and subject to the conditions set forth herein, the Agency agrees as follows:

Section 2.01. The Agency agrees to review the Application and to proceed with its consideration of the Proposed Project and the Financial Assistance relating to the Proposed Project, subject to the conditions contained in this Preliminary Agreement, including, but not limited to, the provision of Section 1.02 above and the following conditions:

(A) The Agency shall receive, in form and substance satisfactory to the Agency, such rulings, approvals, resolutions, consents, certificates, opinions of counsel and other instruments and proceedings as shall be specified by the Agency in connection with the Proposed Project and the various documents to be executed in connection with the Proposed Project;

(B) The Applicant shall provide the Agency and all other “involved/interested agencies” with all information and statements that may be required by said respective entities to ensure compliance by said entities with the New York State Environmental Quality Review Act and the regulations promulgated thereunder (collectively, “SEQRA”);

(C) The Applicant shall comply with and shall provide the Agency with all information, documentation and statements required for the Agency to comply with the requirements of all Legal Requirements; and

(D) The Applicant shall pay or reimburse the Agency for all expenses incurred by the Agency in connection with the Proposed Project (including, without limitation, counsel fees and disbursements).

### Article 3. Undertakings on the Part of the Applicant.

Based upon the statements, representations and undertakings of the Agency and subject to the conditions set forth herein, the Applicant agrees as follows:

Section 3.01. The Applicant hereby agrees to indemnify, defend (with counsel selected by the Agency) and hold the Agency (and its members, officers, agents, attorneys and employees) harmless from any and all liability, damages, causes of actions, losses, costs or expenses incurred by the Agency in connection with: (A) review, examination and processing of, and action pursuant to or upon, the Application, regardless of whether or not the Application, the Proposed Project or the Financial Assistance are favorably acted upon by the Agency, and (B) any further action taken by the Agency with respect to the Application or the Proposed Project; including, without limiting the generality of the foregoing, (i) all fees and expenses of the Agency’s general counsel, transaction counsel, economic development consultant, real property tax valuation consultant and other experts and consultants (if deemed necessary or advisable by the Agency) heretofore or hereafter incurred, and (ii) all other expenses incurred by the Agency in defending any suits, actions or proceedings that may arise as a result of any of the foregoing. If, for any reason whatsoever, the Agency decides not to proceed with consideration of the Application or the proposed Project or 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 Applicant is unable to secure third party financing, if required, or otherwise fails to conclude the Proposed Project, then upon presentation of an invoice by the Agency, its agents, attorneys or assigns, the Applicant shall pay to the Agency, its agents, attorneys or assigns, as the case may be, all fees and expenses reflected in any such invoice.

Section 3.02. The Applicant agrees that each of the Agency’s general counsel, transaction counsel, economic development consultant, real property tax valuation consultant and other experts and consultants is an intended third-party beneficiary of this Preliminary Agreement, and that each of them may (but shall not be obligated to) enforce the provisions of Section 3.01 of this Preliminary Agreement, whether by lawsuit or otherwise, to collect the fees



and expenses of such party or person incurred by the Agency (whether or not first paid by the Agency) with respect to the Application. The Applicant further agrees that the Agency may (but shall not be obligated to) directly enforce the provisions of Section 3.01 of this Preliminary Agreement against the Applicant, whether by lawsuit or otherwise, to collect such fees and expenses.

Section 3.03. The Applicant will take such further action and adopt such further proceedings as the Agency may deem necessary to implement its aforesaid undertakings or as the Agency may deem appropriate in pursuance thereof.

Section 3.04. This Preliminary Agreement is intended to facilitate discussion regarding the Proposed Project, and neither this Preliminary Agreement nor any discussions or course of conduct between the parties or their representatives shall constitute an agreement, offer or legally binding commitment by the Agency to undertake the Proposed Project or to grant the Financial Assistance. This Preliminary Agreement does not purport to summarize or contain all the conditions, covenants, representations, warranties and other provisions that would be contained in the definitive documentation between the Agency and the Applicant relating to the Proposed Project.

Article 4. General Provisions.

Section 4.01. (A) All notices and other communications hereunder shall be in writing and shall be deemed given (i) when mailed by United States registered or certified mail, postage prepaid, return receipt requested, (ii) when delivered by hand delivery to the undersigned, or (iii) one (1) day after deposit with Federal Express or other nationally recognized overnight courier for delivery, addressed as follows:

(1) To the Agency:

County of Chautauqua Industrial Development Agency  
201 West 3rd Street, Suite 115  
Jamestown, NY 14701  
Attn: Mark Geise

(2) To the Applicant:

Maplevale Farms, Inc.  
2063 Allen Street Ext.  
Falconer, NY 14733  
Attn: Doug Neckers

(B) The Agency and the Applicant may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates and other communications shall be sent.

Section 4.02. All covenants and agreements herein contained by or on behalf of the Agency and the Applicant shall bind and inure to the benefit of the respective permitted successors and assigns of the Agency and the Applicant, as the case may be, whether so expressed or not.

Section 4.03. The obligations and agreements of the Agency contained herein shall be deemed the obligations and agreements of the Agency, and not of any member, officer, agent or employee of the Agency in his individual capacity, and the members, officers, agents and employees of the Agency shall not be liable personally hereon or be subject to any personal liability or accountability based upon or in respect hereof or of any transaction contemplated hereby. The obligations and agreements of the Agency contained herein shall not constitute or give rise to an obligation of the State of New York or of the County, and neither the State of New York nor the County, shall be liable thereon; and further, such obligations and agreements shall not constitute or give rise to a general obligation of the Agency, but rather shall constitute limited obligations of the Agency payable solely from the revenues of the Agency derived and to be derived from the lease, sale or other disposition of the Project Facility.

Section 4.04. Notwithstanding any provision of this Preliminary Agreement to the contrary, the Agency shall not be obligated to take any action pursuant to any provision hereof unless (A) the Agency shall have been requested to do so in writing by the Applicant; and (B) if compliance with such request is reasonably expected to result in the incurrence by the Agency (or any member, officer, agent or employee of the Agency) of any liability, fees, expenses or other costs, the Agency shall have received from the Applicant security or indemnity satisfactory to the Agency for protection against all such liability and for the reimbursement of all such fees, expenses and other costs.

Section 4.05. This Preliminary Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument. Signatures by facsimile or in Portable Document Format shall be deemed to constitute originals.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have entered into this Preliminary Agreement as of the date and year first written above.

MAPLEVALE FARMS, INC.

COUNTY OF CHAUTAUQUA INDUSTRIAL  
DEVELOPMENT AGENCY

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name: Shelby Bilskie  
Title: Chief Financial Officer

1  
**Lakeside Werks LLC Due Diligence Resolution**

A regular meeting of the County of Chautauqua Industrial Development Agency (the “Agency”) was convened in public session on June 24, 2025, at 10:30 A.M., local time, at the offices of the Agency located at 201 West 3rd Street, Jamestown, County of Chautauqua, New York (the “IDA Office”).

The meeting was called to order by the \_\_\_\_\_ and, upon roll being called, the following members of the Agency were:

**PRESENT:**

Gary Henry	Chairman
Dan Heitzenrater	Vice Chairman
Amy Harding	Secretary
Sagan Sheffield-Smith	Treasurer
John Healy	Member
Daniel DeMarte	Member
Tom Harmon	Member
Kevin Muldowney	Member
Ted Wightman	Member

**NOT PRESENT:**

**THE FOLLOWING ADDITIONAL PERSONS WERE PRESENT:**

Mark Geise	Administrative Director/CEO
Shelby Bilskie	Chief Financial Officer
Milan K. Tyler, Esq.	Counsel

The attached resolution no. 06-24-25-04 was offered by \_\_\_\_\_, seconded by \_\_\_\_\_:

## Resolution No. 06-24-25-04

RESOLUTION AUTHORIZING DUE DILIGENCE TOWARD THE  
ACQUISITION AND STRAIGHT LEASING OF A CERTAIN PROJECT FOR  
LAKESIDE WERKS LLC AND/OR ITS AFFILIATES AND AUTHORIZING THE  
EXECUTION AND DELIVERY OF A PRELIMINARY AGREEMENT WITH RESPECT  
TO SUCH TRANSACTION

WHEREAS, the County of Chautauqua Industrial Development Agency (the “Agency”) is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title I of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the “Enabling Act”), and Chapter 71 of the 1972 Laws of New York, as amended, constituting Section 895-h of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the “Act”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of manufacturing, industrial and commercial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more “projects” (as defined in the Act) or to cause said projects to be acquired, constructed, reconstructed and installed and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, LAKESIDE WERKS LLC, a limited liability company duly organized and existing under the laws of the State of New York, on behalf of itself and/or the principals of Lakeside Werks LLC and/or an entity or entities formed or to be formed on behalf of any of the foregoing (collectively, the “Applicant”), presented an application for financial assistance (the “Application”) to the Agency, which Application requested that the Agency consider undertaking a project (the “Project”) consisting of the following: (A)(1) the acquisition of an interest in an approximately 0.13 acre parcel of land known as 23-25 Lakeshore Drive East, City of Dunkirk, County of Chautauqua, New York (Tax Map Parcel ID No. 79.14-3-20) (the “Land”), (2) the renovation of an approximately 15,060 square foot building on the Land, together with related improvements to the Land (the “Building”), and (3) the acquisition of certain furniture, fixtures, machinery, equipment and building materials necessary for the completion thereof (collectively, the “Equipment”, and together with the Land and the Building, the “Facility”), all of the foregoing for use by the Applicant and/or its affiliates as a mixed use facility including a physical therapy/medical office and residential rental units consisting of approximately three 1-bedroom units and eight 2-bedroom units; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the General Municipal Law) with respect to the foregoing in the form of potential exemptions or partial exemptions from



sales and use taxes, mortgage recording taxes and real property taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase), license or sale of the Project Facility to the Applicant or such other entity(ies) as may be designated by the Applicant and agreed upon by the Agency; and

WHEREAS, the Agency has given due consideration to the Application and to the representations made by the Applicant therein, in certain supplemental documents and at this meeting, including, without limitation, representations of the Applicant that: (A) the granting by the Agency of the Financial Assistance with respect to the Project will be an inducement to the Applicant to undertake the Project in the County of Chautauqua, New York; (B) the completion of the Project and the leasing and operation of the Project Facility by the Applicant and/or its related designee will not result in the removal of a facility or plant of the Applicant, such related designee or any other occupant of the Project Facility from one area of the State of New York (the “State”) to another area of the State, however the Project may involve the removal or abandonment of a facility or plant within the State, as contemplated by Section 859-a(5)(d) of the Act; (C) the Project Facility will not constitute a project where facilities or property that are primarily used in making retail sales of goods and/or services to customers who personally visit such facilities constitute more than one-third of the total cost of the Project; (D) the Project will serve the public purposes of the Act by preserving permanent, private sector jobs and increasing the overall number of permanent, private sector jobs in the State; and (E) the granting of the Financial Assistance by the Agency will promote the job opportunities, health, general prosperity and economic welfare of the inhabitants of the County of Chautauqua, New York, and improve their standard of living, and prevent unemployment and economic deterioration, and thereby serve the public purposes of the Act; and

WHEREAS, any approval of the Project is contingent upon, among other things, a final determination by the members of the Agency to proceed with the Project following determinations by the Agency that: (A) the public hearing and notice requirements and other procedural requirements contained in the Act relating to the Project and the Financial Assistance have been satisfied; and (B) the undertaking of the Project by the Agency and the granting of the Financial Assistance are and will be in compliance with all other applicable requirements of the Act, Article 8 of the Environmental Conservation Law (the “SEQR Act”) and the regulations adopted pursuant thereto (the “Regulations” and together with the SEQR Act, collectively, “SEQRA”), and all other statutes, codes, laws, rules and regulations of any governmental authority having jurisdiction over the Project or the Project Facility (collectively, the “Applicable Laws”); and

WHEREAS, the portion of the Financial Assistance consisting of an exemption from real property taxes, if granted, may represent a deviation from the Agency’s uniform tax exemption policy and guidelines with respect to the making of payments in lieu of real property taxes; and

WHEREAS, the Agency desires to encourage the Applicant to preserve and advance the job opportunities, health, general prosperity and economic welfare of the people of the County of Chautauqua, New York, and to prevent unemployment and economic deterioration, by undertaking the Project in the County of Chautauqua, New York; and

WHEREAS, although a resolution authorizing the undertaking of the Project has not yet been submitted for approval by the Agency, a preliminary agreement (the "Preliminary Agreement") relative to the proposed undertaking of the Project by the Agency has been presented for approval by the Agency;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE COUNTY OF CHAUTAUQUA INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. The Agency hereby authorizes the Administrative Director/CEO of the Agency, prior to the granting of any Financial Assistance with respect to the Project: (A) to establish a time, date and place (if applicable) for a public hearing (the "Public Hearing") of the Agency to hear all persons interested in the location and nature of the Project and the proposed Financial Assistance being contemplated by the Agency with respect to the Project, said Public Hearing to be held in the city, town or village within which the Project Facility is or will be located, subject to Applicable Laws; (B) to cause notice of said Public Hearing to be given to the public by publishing a notice of said Public Hearing in a newspaper of general circulation available to residents of the governmental units within which the Project Facility is or will be located, such notice to comply with the requirements of and to be published in accordance with the requirements of the Act; (C) to cause notice of said Public Hearing, pursuant to the Act, to be given to the chief executive officer of the County of Chautauqua, New York, and of each city, town, village, school district and other affected tax jurisdiction in which the Project Facility is or will be located; (D) to conduct the Public Hearing or to authorize a hearing officer to conduct the Public Hearing in accordance with the Act; (E) to cause a report of the Public Hearing fairly summarizing the views presented at said Public Hearing to be promptly prepared and cause copies of said report to be made available to the members of the Agency; (F) to establish a time, date and place (if applicable) for a meeting of the Agency (the "IDA Meeting") to consider whether to approve a proposed deviation from the Agency's uniform tax exemption policy in accordance with the Act if the Administrative Director/CEO determines that the portion of the Financial Assistance consisting of an exemption from real property taxes constitutes a deviation from such policy; (G) to cause notice of any such proposed deviation from the Agency's uniform tax exemption policy and of the IDA Meeting to be given to the affected tax jurisdictions in accordance with the Act; and (H) to otherwise comply with all other procedural and other requirements imposed on the Agency pursuant to Applicable Laws with respect to the Project and/or the Financial Assistance.

Section 2. The Applicant is hereby authorized to conduct such environmental, engineering, economic, feasibility and other studies and preliminary planning and budgetary processes necessary or convenient to enable the Agency to make its determination whether to proceed with the Project and to grant the Financial Assistance; provided, however, that such authorization shall not entitle or permit the Applicant to commence the acquisition, construction, installation or equipping of the Project Facility unless and until the Agency shall determine that all requirements of Applicable Laws have been fulfilled. The officers, agents and employees of the Agency are hereby directed to proceed to do such things or perform such acts as may allow the Agency to proceed to its final consideration of the Project. This Resolution constitutes an authorization to conduct concurrent environmental, engineering, economic, feasibility and other

studies and preliminary planning with respect to the Project within the meaning of Section 617.3(c)(2) of the Regulations and a determination of compliance with technical requirements within the meaning of Section 617.3(c)(2) of the Regulations and does not constitute, and shall not be deemed to constitute, either an approval by the Agency of the Project for the purposes of the Act or SEQRA or a commitment by the Agency to approve the Project or to grant the Financial Assistance.

Section 3. Any expenses incurred by the Agency with respect to the Project and the financing thereof shall be paid by the Applicant as set forth in the Preliminary Agreement.

Section 4. The findings of the Agency set forth herein are expressly conditioned upon full compliance of the Applicant, the Project and the Project Facility with all Applicable Laws, and the Applicant shall be required to provide evidence of same satisfactory to the Agency prior to the granting of any Financial Assistance.

Section 5. If, following full compliance with all Applicable Laws, the Agency adopts a future resolution (the "Future Resolution") determining to proceed with the Project and to grant the Financial Assistance, or any portion thereof, with respect to the Project and the Applicant complies with all conditions set forth in the Preliminary Agreement and the Future Resolution, then the Agency will (A) acquire an interest in the Project Facility pursuant to a deed, lease agreement, assignment of lease, license, bill of sale and/or other documentation to be negotiated between the Agency and the Applicant (the "Company Lease"); (B) lease (with the obligation to purchase), license or sell the Project Facility to the Applicant or related designee pursuant to an agency lease agreement or an installment sale agreement (the "Agency Lease") to be negotiated between the Agency and the Applicant; and (C) provide the Financial Assistance with respect to the Project, all as contemplated by the Preliminary Agreement and the Future Resolution.

Section 6. The form, terms and substance of the Preliminary Agreement (in substantially the form presented at this meeting) are in all respects approved, and the Chairman, Vice Chairman, Administrative Director/CEO and Chief Financial Officer of the Agency are each hereby authorized, empowered and directed, acting individually or jointly, to execute and deliver said Preliminary Agreement in the name and on behalf of the Agency, with such changes therein as shall be approved by the officer executing same on behalf of the Agency, the execution thereof by such officer to constitute conclusive evidence of such officer's approval of any and all changes or revisions therein from the form now before this meeting, and the Agency hereby ratifies and approves any action heretofore taken by the Agency with respect to the Preliminary Agreement.

Section 7. From and after the execution and delivery of the Preliminary Agreement, the officers, agents and employees of the Agency are hereby authorized, empowered and directed, acting individually or jointly, to proceed with the undertakings provided for therein on the part of the Agency, and are further authorized to do all such acts and things and to execute all such documents as may be necessary or convenient to carry out and comply with the terms and provisions of the Preliminary Agreement as and when executed.

Section 8. The law firm of Phillips Lytle LLP, Jamestown, New York, is hereby appointed Counsel to the Agency with respect to all matters in connection with the Project. Counsel for the Agency is hereby authorized, at the expense of the Applicant, to work with the Applicant, counsel to the Applicant, and others to prepare, for submission to the Agency, all documents necessary to effect the transactions contemplated by this Resolution.

Section 9. The Chairman, Vice Chairman, Administrative Director/CEO and Chief Financial Officer of the Agency are each hereby authorized and directed to distribute copies of this Resolution to the Applicant and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 10. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

Gary Henry	VOTING
Dan Heitzenrater	VOTING
Amy Harding	VOTING
Sagan Sheffield-Smith	VOTING
John Healy	VOTING
Daniel DeMarte	VOTING
Tom Harmon	VOTING
Kevin Muldowney	VOTING
Ted Wightman	VOTING

The foregoing Resolution was thereupon declared duly\_\_\_\_\_.

STATE OF NEW YORK                    )  
   ) SS.:  
 COUNTY OF CHAUTAUQUA            )

WE, the undersigned officers of the County of Chautauqua Industrial Development Agency (the “Agency”), DO HEREBY CERTIFY that we have compared the foregoing extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on June 24, 2025 with the original thereof on file in our offices, and that the same is a true and correct copy of said original and of such Resolution set forth therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

WE FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the “Open Meetings Law”), said meeting was open to the general public at both locations at which members of the Agency were present, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; (D) there was a quorum of the members of the Agency present throughout said meeting; and (E) the meeting was recorded and the recording has been or will be posted on the public website of the Agency pursuant to the Open Meetings Law.

WE FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, we have hereunto set our hand this 24<sup>th</sup>, day of June, 2025.

\_\_\_\_\_  
 [Assistant] Secretary

\_\_\_\_\_  
 [Vice] Chairman



## PRELIMINARY AGREEMENT

THIS PRELIMINARY AGREEMENT (this "Preliminary Agreement") dated as of the \_\_\_\_ day of June, 2025, between the COUNTY OF CHAUTAUQUA INDUSTRIAL DEVELOPMENT AGENCY (the "Agency"), a public benefit corporation organized and existing under the laws of the State of New York, and LAKESIDE WERKS LLC, a limited liability company duly organized and existing under the laws of the State of New York (the "Applicant").

### WITNESSETH:

WHEREAS, the Agency is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title I of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act"), and Chapter 71 of the 1972 Laws of New York, as amended, constituting Section 895-h of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of manufacturing, industrial and commercial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more "projects" (as defined in the Act) or to cause said projects to be acquired, constructed, reconstructed and installed and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, the Applicant presented an application for financial assistance (the "Application") to the Agency, which Application requested that the Agency consider undertaking a project (the "Proposed Project") consisting of the following: (A)(1) the acquisition of an interest in an approximately 0.13 acre parcel of land known as 23-25 Lakeshore Drive East, City of Dunkirk, County of Chautauqua, New York (Tax Map Parcel ID No. 79.14-3-20) (the "Land"), (2) the renovation of an approximately 15,060 square foot building on the Land, together with related improvements to the Land (the "Building"), and (3) the acquisition of certain furniture, fixtures, machinery, equipment and building materials necessary for the completion thereof (collectively, the "Equipment", and together with the Land and the Building, the "Facility"), all of the foregoing for use by the Applicant and/or its affiliates as a mixed use facility including a physical therapy/medical office and residential rental units consisting of approximately three 1-bedroom units and eight 2-bedroom units; (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the General Municipal Law) with respect to the foregoing in the form of potential exemptions or partial exemptions from sales and use taxes, mortgage recording taxes and real property taxes (collectively, the "Financial Assistance"); and (C) the lease (with an obligation to purchase), license or sale of the Project Facility to the Applicant or such other entity(ies) as may be designated by the Applicant and agreed upon by the Agency; and

WHEREAS, the members of the Agency held a meeting on June 24, 2025 and approved a resolution (the "Preliminary Resolution") requiring the execution and delivery of this Preliminary Agreement by the Applicant and authorizing its execution and delivery by the Agency, and authorizing the Agency to pursue preliminary action toward the undertaking of the Proposed Project;

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the Agency and the Applicant agree as follows:

Article 1. Representations; No Commitments.

Section 1.01. The Applicant hereby represents to the Agency that:

(A) Based on the proposed use of the Project Facility, the economic effects of the Proposed Project on the area in which it is situated, the employment reasonably expected to be created by the acquisition, construction, installation, equipping and operation of the Project Facility, and an analysis of how the Proposed Project would contribute to the realization of the public purposes of promoting job opportunities in the County of Chautauqua (the "County"), and the prevention of economic deterioration in the County, the Proposed Project would constitute a commercial facility with a significant impact on the area in which it is situated, and would advance the Agency's purposes by promoting job opportunities and preventing economic deterioration in the County. Therefore, the Proposed Project would constitute a "project" within the meaning of the Act.

(B) The execution, delivery and performance by the Applicant of this Preliminary Agreement have been duly authorized by all necessary company action, and this Preliminary Agreement has been duly executed and delivered by the Applicant and is the legal, valid and binding obligation of the Applicant enforceable against the Applicant in accordance with its terms.

(C) The Applicant plans to invest a total of at least \$3,200,000 in the Project Facility.

(D) The undertaking of the Proposed Project will not result in the removal of a facility or plant of the Applicant, any designee or any other occupant of the Project Facility from one area of the State of New York to another area of the State of New York, however the Project may involve the removal or abandonment of a facility or plant within the State, as contemplated by Section 859-a(5)(d) of the Act. Therefore, the provisions of subdivision (1) of Section 862 of the Act would not be violated as a result of the granting of the Financial Assistance by the Agency to the Applicant.

(E) Each owner, occupant or operator that would receive Financial Assistance with respect to the Proposed Project is in substantial compliance with applicable federal, state and local tax, worker protection and environmental laws, rules and regulations.

(F) As of the date of this Preliminary Agreement, the Applicant is in substantial compliance with all provisions of Article 18-A of the General Municipal Law, including, but not limited to, the provisions of Section 859-a and Section 862(1) thereof.

(G) The granting by the Agency of the Financial Assistance with respect to the Proposed Project would be an inducement to the Applicant to undertake the Proposed Project in the County.

(H) The Applicant would not undertake the Proposed Project in the County without the granting of the Financial Assistance by the Agency.

(I) The Project Facility is located entirely within the boundaries of the City of Dunkirk, is not located within the boundaries of any incorporated village or Town, and is located within the boundaries of the Dunkirk City School District.

Section 1.02. This Preliminary Agreement does not commit the Agency to undertake the Proposed Project or to grant to the Applicant any Financial Assistance with respect to the Proposed Project. The members of the Agency shall decide, in their sole and absolute discretion, whether or not to undertake the Proposed Project and to grant such Financial Assistance, and then only following a determination by the members of the Agency that all requirements of applicable laws, rules and regulations and the policies and procedures of the Agency (collectively, "Legal Requirements") have been fulfilled.

## Article 2. Undertakings on the Part of the Agency.

Based upon the statements, representations and undertakings of the Applicant, and subject to the conditions set forth herein, the Agency agrees as follows:

Section 2.01. The Agency agrees to review the Application and to proceed with its consideration of the Proposed Project and the Financial Assistance relating to the Proposed Project, subject to the conditions contained in this Preliminary Agreement, including, but not limited to, the provision of Section 1.02 above and the following conditions:

(A) The Agency shall receive, in form and substance satisfactory to the Agency, such rulings, approvals, resolutions, consents, certificates, opinions of counsel and other instruments and proceedings as shall be specified by the Agency in connection with the Proposed Project and the various documents to be executed in connection with the Proposed Project;

(B) The Applicant shall provide the Agency and all other “involved/interested agencies” with all information and statements that may be required by said respective entities to ensure compliance by said entities with the New York State Environmental Quality Review Act and the regulations promulgated thereunder (collectively, “SEQRA”);

(C) The Applicant shall comply with and shall provide the Agency with all information, documentation and statements required for the Agency to comply with the requirements of all Legal Requirements; and

(D) The Applicant shall pay or reimburse the Agency for all expenses incurred by the Agency in connection with the Proposed Project (including, without limitation, counsel fees and disbursements).

### Article 3. Undertakings on the Part of the Applicant.

Based upon the statements, representations and undertakings of the Agency and subject to the conditions set forth herein, the Applicant agrees as follows:

Section 3.01. The Applicant hereby agrees to indemnify, defend (with counsel selected by the Agency) and hold the Agency (and its members, officers, agents, attorneys and employees) harmless from any and all liability, damages, causes of actions, losses, costs or expenses incurred by the Agency in connection with: (A) review, examination and processing of, and action pursuant to or upon, the Application, regardless of whether or not the Application, the Proposed Project or the Financial Assistance are favorably acted upon by the Agency, and (B) any further action taken by the Agency with respect to the Application or the Proposed Project; including, without limiting the generality of the foregoing, (i) all fees and expenses of the Agency’s general counsel, transaction counsel, economic development consultant, real property tax valuation consultant and other experts and consultants (if deemed necessary or advisable by the Agency) heretofore or hereafter incurred, and (ii) all other expenses incurred by the Agency in defending any suits, actions or proceedings that may arise as a result of any of the foregoing. If, for any reason whatsoever, the Agency decides not to proceed with consideration of the Application or the proposed Project or 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 Applicant is unable to secure third party financing, if required, or otherwise fails to conclude the Proposed Project, then upon presentation of an invoice by the Agency, its agents, attorneys or assigns, the Applicant shall pay to the Agency, its agents, attorneys or assigns, as the case may be, all fees and expenses reflected in any such invoice.

Section 3.02. The Applicant agrees that each of the Agency’s general counsel, transaction counsel, economic development consultant, real property tax valuation consultant and other experts and consultants is an intended third-party beneficiary of this Preliminary Agreement, and that each of them may (but shall not be obligated to) enforce the provisions of Section 3.01 of this Preliminary Agreement, whether by lawsuit or otherwise, to collect the fees

and expenses of such party or person incurred by the Agency (whether or not first paid by the Agency) with respect to the Application. The Applicant further agrees that the Agency may (but shall not be obligated to) directly enforce the provisions of Section 3.01 of this Preliminary Agreement against the Applicant, whether by lawsuit or otherwise, to collect such fees and expenses.

Section 3.03. The Applicant will take such further action and adopt such further proceedings as the Agency may deem necessary to implement its aforesaid undertakings or as the Agency may deem appropriate in pursuance thereof.

Section 3.04. This Preliminary Agreement is intended to facilitate discussion regarding the Proposed Project, and neither this Preliminary Agreement nor any discussions or course of conduct between the parties or their representatives shall constitute an agreement, offer or legally binding commitment by the Agency to undertake the Proposed Project or to grant the Financial Assistance. This Preliminary Agreement does not purport to summarize or contain all the conditions, covenants, representations, warranties and other provisions that would be contained in the definitive documentation between the Agency and the Applicant relating to the Proposed Project.

Article 4. General Provisions.

Section 4.01. (A) All notices and other communications hereunder shall be in writing and shall be deemed given (i) when mailed by United States registered or certified mail, postage prepaid, return receipt requested, (ii) when delivered by hand delivery to the undersigned, or (iii) one (1) day after deposit with Federal Express or other nationally recognized overnight courier for delivery, addressed as follows:

(1) To the Agency:

County of Chautauqua Industrial Development Agency  
201 West 3rd Street, Suite 115  
Jamestown, NY 14701  
Attn: Mark Geise

(2) To the Applicant:

Lakeside Werks LLC  
3083 William Street  
Buffalo, NY 14227  
Attn: Lee Crewson

(B) The Agency and the Applicant may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates and other communications shall be sent.



Section 4.02. All covenants and agreements herein contained by or on behalf of the Agency and the Applicant shall bind and inure to the benefit of the respective permitted successors and assigns of the Agency and the Applicant, as the case may be, whether so expressed or not.

Section 4.03. The obligations and agreements of the Agency contained herein shall be deemed the obligations and agreements of the Agency, and not of any member, officer, agent or employee of the Agency in his individual capacity, and the members, officers, agents and employees of the Agency shall not be liable personally hereon or be subject to any personal liability or accountability based upon or in respect hereof or of any transaction contemplated hereby. The obligations and agreements of the Agency contained herein shall not constitute or give rise to an obligation of the State of New York or of the County, and neither the State of New York nor the County, shall be liable thereon; and further, such obligations and agreements shall not constitute or give rise to a general obligation of the Agency, but rather shall constitute limited obligations of the Agency payable solely from the revenues of the Agency derived and to be derived from the lease, sale or other disposition of the Project Facility.

Section 4.04. Notwithstanding any provision of this Preliminary Agreement to the contrary, the Agency shall not be obligated to take any action pursuant to any provision hereof unless (A) the Agency shall have been requested to do so in writing by the Applicant; and (B) if compliance with such request is reasonably expected to result in the incurrence by the Agency (or any member, officer, agent or employee of the Agency) of any liability, fees, expenses or other costs, the Agency shall have received from the Applicant security or indemnity satisfactory to the Agency for protection against all such liability and for the reimbursement of all such fees, expenses and other costs.

Section 4.05. This Preliminary Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument. Signatures by facsimile or in Portable Document Format shall be deemed to constitute originals.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have entered into this Preliminary Agreement as of the date and year first written above.

LAKESIDE WERKS LLC

COUNTY OF CHAUTAUQUA INDUSTRIAL  
DEVELOPMENT AGENCY

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name: Shelby Bilskie  
Title: Chief Financial Officer

## LEAD Program Amended Approving Resolution

A regular meeting of the County of Chautauqua Industrial Development Agency (the “Agency”) was convened in public session at the offices of the Agency located at 201 West 3rd Street, Jamestown, County of Chautauqua, New York, on June 24, 2025, at 10:00 A.M., local time.

The meeting was called to order by the \_\_\_\_\_ and, upon roll being called, the following members of the Agency were:

### PRESENT:

Gary Henry	Chairman
Dan Heitzenrater	Vice Chairman
Amy Harding	Secretary
Sagan Sheffield-Smith	Treasurer
Daniel DeMarte	Member
Tom Harmon	Member
Kevin Muldowney	Member
John Healy	Member
Ted Wightman	Member

### NOT PRESENT:

### THE FOLLOWING ADDITIONAL PERSONS WERE PRESENT:

Mark Geise	Administrative Director/CEO
Shelby Bilskie	Chief Financial Officer
Milan K. Tyler, Esq.	Counsel

The attached resolution no. 06-24-25-05 was offered by \_\_\_\_\_, seconded by \_\_\_\_\_:

RESOLUTION TAKING OFFICIAL ACTION TOWARD AND  
APPROVING AN AMENDMENT TO THE CHAUTAUQUA LEAD PROGRAM

WHEREAS, the County of Chautauqua Industrial Development Agency (the “Agency”) is authorized and empowered by the provisions of Chapter 1030 of the Laws of 1969 of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the “Enabling Act”) and Chapter 71 of the 1972 Laws of New York, as amended, constituting Section 895-h of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the “Act”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more “projects” (as defined in the Act) or to cause said projects to be acquired, constructed, reconstructed and installed and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, small businesses are the heart of New York’s economy, comprising 98% of all businesses in New York and employing more than half of New York’s private sector workforce; and

WHEREAS, on November 26, 2019 the Agency authorized and established its Chautauqua Local Economic Assistance and Development Program (the “LEAD Program”) to provide assistance to Small Businesses (as hereinafter defined) located in the County of Chautauqua (collectively, the “Services”), including, without limitation, (i) the identification and coordination of the resources required by Small Businesses to obtain required local permits and approvals, (ii) the identification of sources of debt and equity financing for Small Businesses, and (iii) the granting of “financial assistance” (within the meaning of Section 854(14) of the Act) in the form of exemptions from sales and use taxes (collectively, the “Financial Assistance”) for projects undertaken by such Small Businesses (each, a “Project” and collectively the “Projects”), all to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, “Small Businesses” are deemed to be businesses that have 100 or less employees; and

WHEREAS, the LEAD Program initially utilized a “Transactions Committee” for approvals and such Transactions Committee meetings were not open to the public; and

WHEREAS, the Agency now desires to revise its LEAD Program to require approval of each transaction by the Board of Directors of the Agency, meeting in public session, subject to the terms hereof;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE CHAUTAUQUA COUNTY INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. The Agency hereby re-authorizes and re-approves the LEAD Program and authorizes the Agency to provide the Services. With respect to the granting of Financial Assistance, the Agency hereby authorizes the Executive Director and/or Chief Financial Officer to enter into arrangements with one (1) or more applicants (each, an "Applicant" and collectively the "Applicants") with respect to one (1) or more Projects, subject to the following conditions and requirements:

(a) an Applicant shall submit to the Agency a completed Application for Financial Assistance (an "Application"), being substantially in the form presented at this meeting, that identifies the Applicant, describes its business and operations, describes the proposed Project, and provides such other information and documentation as the Executive Director and/or Chief Financial Officer shall deem necessary or appropriate;

(b) the Executive Director and/or Chief Financial Officer shall determine, based on the proposed use of the Project as set forth in the Application, the economic effects of the Project on the area in which it is situated, and the employment reasonably expected to be created and/or maintained by the Project, that the Project constitutes a "project" within the meaning of the Act;

(c) the Applicant shall represent, inter alia, and the Executive Director and/or Chief Financial Officer shall determine, that the granting by the Agency of the Financial Assistance with respect to the Project will be an inducement to the Applicant to undertake the Project in Chautauqua County, New York, and that the Applicant would not undertake the Project in Chautauqua County, New York, without the granting of the Financial Assistance by the Agency;

(d) the Applicant shall represent, inter alia, and the Executive Director and/or Chief Financial Officer shall determine, that the completion of the Project, the acquisition of an interest therein by the Agency and the operation thereof by the Applicant will not result in the removal of a facility or plant of the Applicant or any other proposed user or occupant of the Project from one area of the State of New York (the "State") to another area of the State or in the abandonment of one or more plants or facilities of the Applicant or any other proposed user or occupant of the Project Facility located within the State (but outside of Chautauqua County);

(e) the Applicant shall represent, inter alia, and the Executive Director and/or Chief Financial Officer shall determine, that the Project will serve the public purposes of the Act by preserving permanent, private sector jobs and/or increasing the overall number of permanent, private sector jobs in the State;



(f) the Application shall be reviewed and approved by the Board of Directors of the Agency;

(g) no funds of the Agency shall be used in connection with the Project for the purpose of preventing the establishment of an industrial or manufacturing plant, nor shall any funds of the Agency be given in connection with the Project to any group or organization which is attempting to prevent the establishment of an industrial or manufacturing plant within the State, nor shall any funds of the Agency be used for advertising or promotional materials which depict elected or appointed government officials in either print or electronic media;

(h) the granting of the Financial Assistance by the Agency with respect to the Project will promote the job opportunities, health, general prosperity and economic welfare of the inhabitants of Chautauqua County, New York and the State and improve their standard of living, and thereby serve the public purposes of the Act;

(i) the maximum amount of Financial Assistance granted to any Project shall in no event exceed \$99,000;

(j) the Financial Assistance shall be used only in connection with interior renovations and alterations to existing buildings and the acquisition and installation of furniture, fixtures, machinery and equipment in existing buildings, with use and occupancy by the Applicant for a type of use permitted within the applicable zoning district, and shall not be used to expand the footprint of any building or in any way that would increase or substantially alter environmental impacts associated with the parcel of land on which such building is situated;

(k) the Applicant shall reimburse the Agency for all costs and expenses incurred by the Agency in connection with the Project contemplated by the Application;

(l) the Agency shall have obtained and reviewed background checks in form and substance satisfactory to the Agency with respect to the Applicant and its principal owner(s);

(m) the Executive Director and/or Chief Financial Officer shall determine that the nature of a proposed Project, in the judgment of the Agency, is not disreputable as a public project; and

(n) the Financial Assistance shall be made available only to Small Businesses.

Section 2. The Agency hereby ratifies, confirms and approves all actions heretofore taken by the Executive Director and/or Chief Financial Officer and the staff of the Agency with respect to the LEAD Program, including, without limitation, (a) those actions required to ensure full compliance with the requirements of the Act, SEQRA and all other Applicable Laws that relate to the LEAD Program, and (b) the appointment of the law firm of Phillips Lytle LLP, Garden City, New York, as Special Counsel to the Agency with respect to all matters in connection with the LEAD Program.

Section 3. The Agency hereby determines that the proposed action is a Type II Action pursuant to Article 8 of the New York Environmental Conservation Law (including the regulations thereunder, "SEQRA") involving "continuing agency administration" which does not involve "new programs or major reordering of priorities that may affect the environment" (6 NYCRR §617.5(c)(20)) and therefore no Findings or determination of significance are required under SEQRA. With respect to the granting of Financial Assistance for a particular Project, the Agency authorizes and directs the Executive Director and/or Chief Financial Officer to review the Environmental Assessment Form and other materials submitted by an Applicant to the Agency and to making a Finding under SEQRA with respect to such Project prior to the granting of any Financial Assistance to the Applicant.

Section 4. The amount of Financial Assistance granted to each Applicant with respect to a Project under the LEAD Program shall not exceed \$99,000 and, therefore, no public hearing of the Agency is required pursuant to Section 859-a of the Act.

Section 5. The Agency hereby determines that the Agency has fully complied with the requirements of the Act, SEQRA and all other Applicable Laws that relate to the LEAD Program.

Section 6. Subject to the terms of this Resolution, the Agency is authorized to (a) acquire from or on behalf of an Applicant an interest in the property acquired with the Agency's Financial Assistance pursuant to a bill of sale or other conveyance instrument (the "Conveyance Instrument"), (b) execute and deliver a project agreement setting forth the respective obligations of the Agency and an Applicant with respect to a Project (the "Project Agreement"), (c) grant the aforementioned Financial Assistance in the form of an exemption from sales and use taxes pursuant to a sales and use tax exemption letter executed and delivered by the Agency (the "Sales Tax Letter"), (d) execute and deliver such other documents, instruments and agreements as the Executive Director and/or Chief Financial Officer deems necessary or appropriate in connection with a Project (such documents, instruments and agreements, together with the Conveyance Instrument, the Project Agreement and the Sales Tax Letter, collectively, the "Transaction Documents"), and (e) to do all things necessary, convenient or appropriate for the accomplishment thereof.

Section 7. The form and substance of the Conveyance Instrument, the Bill of Sale, the Sales Tax Letter and the other Transaction Documents, being in the forms presented at this meeting, together with such changes as the Board of Directors of the Agency or the Executive Director and/or Chief Financial Officer may hereafter deem necessary or appropriate, are hereby approved. The Executive Director and/or Chief Financial Officer are hereby authorized, on behalf of the Agency, acting together or individually, to execute and deliver the Conveyance Instrument, the Bill of Sale, the Sales Tax Letter and the other Transaction Documents to which the Agency is a party and, where appropriate, the Secretary (or Assistant Secretary) of the Agency is hereby authorized to affix the seal of the Agency thereto and to attest the same. The execution and delivery of each such document, agreement or instrument by such person(s) shall be conclusive evidence of such approval.

Section 8. The Executive Director and/or Chief Financial Officer are hereby designated as Authorized Representatives (as defined in the Project Agreement) of the Agency. The Executive Director and/or Chief Financial Officer is hereby further authorized, on behalf of the Agency, to designate any additional Authorized Representatives of the Agency.

Section 9. The officers, employees and agents of the Agency are hereby authorized and directed, acting individually or jointly, for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Transaction Documents, to execute and deliver all such additional certificates, instruments, agreements and documents, to pay all such fees, charges and expenses, and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, convenient or appropriate to effect the purposes of this Resolution and to cause compliance with all of the terms, covenants and provisions of the Transaction Documents to which the Agency is a party or which are binding on the Agency.

Section 10. All covenants, stipulations, obligations and agreements of the Agency contained in this Resolution and/or any Transaction Document shall be deemed to be the covenants, stipulations, obligations and agreements of the Agency to the full extent authorized or permitted by law, and such covenants, stipulations, obligations and agreements shall be binding upon any board or body to which any powers or duties affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law. Except as otherwise provided in this Resolution, all rights, powers and privileges conferred, and duties and liabilities imposed, upon the Agency or the members thereof by the provisions of this Resolution or any Transaction Document shall be exercised or performed by the Agency or by such members, officers, board or body as may be required by law to exercise such powers and to perform such duties.

No covenant, stipulation, obligation or agreement herein contained or contained in any Transaction Document shall be deemed to be a covenant, stipulation, obligation or agreement of any member, officer, agent or employee of the Agency in his or her individual capacity and neither the members of the Agency nor any officer executing any Transaction Document shall be liable personally thereon or be subject to any personal liability or accountability by reason of the issuance thereof.

Section 11. The Agency hereby authorizes the Executive Director and/or Chief Financial Officer of the Agency to approve modifications to the terms approved hereby which are not inconsistent with the intent and substance of this Resolution, such approval to be evidenced by the execution by the Executive Director and/or Chief Financial Officer or the Administrative Director of the Transaction Documents containing such modifications. Without limitation of the foregoing, the Executive Director and/or Chief Financial Officer shall have the authority to waive or reduce the Agency's administrative fee for a particular transaction in his or her sole discretion.

Section 12. The Executive Director and/or Chief Financial Officer are hereby authorized and directed to distribute copies of this Resolution and to do such further things or

perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 13. This Resolution shall not preclude the Agency from adopting other or further policies relating to projects and activities of the Agency as determined from time to time by the members of the Agency.

Section 14. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

Gary Henry	VOTING
Dan Heitzenrater	VOTING
Amy Harding	VOTING
Sagan Sheffield-Smith	VOTING
Daniel DeMarte	VOTING
Tom Harmon	VOTING
Kevin Muldowney	VOTING
John Healy	VOTING
Ted Wightman	VOTING

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK                    )  
  ) SS.:  
COUNTY OF CHAUTAUQUA            )

WE, the undersigned officers of the County of Chautauqua Industrial Development Agency (the “Agency”), DO HEREBY CERTIFY that we have compared the foregoing extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on June 24, 2025 with the original thereof on file in our offices, and that the same is a true and correct copy of said original and of such Resolution set forth therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

WE FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the “Open Meetings Law”), said meeting was open to the general public at both locations at which members of the Agency were present, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; (D) there was a quorum of the members of the Agency present throughout said meeting; and (E) the meeting was recorded and the recording has been or will be posted on the public website of the Agency pursuant to the Open Meetings Law.

WE FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, we have hereunto set our hand this 24<sup>th</sup>, day of June, 2025.

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[Assistant] Secretary

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[Vice] Chairperson



# EDA Revolving Loan Fund Plan (With Executive Summary)

Administered by the:  
County of Chautauqua Industrial Development Agency  
Adopted by the Board on: January 24, 2017  
**Revisions approved by Board on June 24, 2025**

COUNTY OF CHAUTAUQUA INDUSTRIAL DEVELOPMENT AGENCY  
**EXECUTIVE SUMMARY**  
EDA CARES REVOLVING LOAN FUND PLAN  
(June 2025)

I. Mission Statement

The purpose of the EDA Cares Revolving Loan Fund (RLF) is to foster and maintain economic growth in Chautauqua County by means of investments that stimulate job retention and creation, and overall job sustainability and growth. This is done by assisting existing businesses and industries, or by providing much needed seed capital to start-up ventures or low interest financing for more established firms.

II. Eligible Businesses for Financing

A. An applicant must demonstrate a need for financing as well as the ability to repay the loan and have an established "track record"; however, "start-ups" are considered if the business has completed the product development stage and has developed a comprehensive business plan, which demonstrates the potential for securing a customer base to sustain the business.

B. The types of businesses that are considered include:

1. Technology oriented businesses.
2. Manufacturing.
3. Tourism related businesses.
4. Agricultural oriented businesses.
5. Private developers who have identifiable tenants that are unable to assume or handle real estate obligations.

C. The types of projects that are considered include:

1. Machinery & equipment acquisition.
2. Real estate acquisition, building construction and renovation.
3. Brownfield remediation projects impacting an identifiable development or expansion project.
4. Working Capital needs (including: software, software development, marketing, etc.).

D. Special efforts are made to reach out to:

1. Minority and women-owned businesses.
2. Businesses located in distressed census tracts.
3. Businesses with demonstrable links as suppliers to existing industries.
4. Businesses specializing in producing or providing national defense or homeland security products or services.

E. No loans are made to governmental units or not-for-profit entities.

F. Loans may only be made to businesses whose physical facility is located wholly or partially in Chautauqua County.

G. Refinancing of existing debt is considered under limited circumstances.

H. Ineligible loans include:

1. Loans which assist the relocation of jobs from one commuting area to another area of New York State, other than expansions or projects directly attributable to acts of God. A "Shift Resolution" is required from the affected community giving consent.
2. Loans for the purpose of investing in interest bearing accounts or investments not related to job creation/retention.
3. Using loan funds to purchase or finance equity in private businesses. \*
4. Using loan funds to subsidize interest payments on existing loans.
5. Using loan funds to refinance loans made by other lenders. \*
6. Using loan funds to provide the equity contribution required by other borrowers.
7. Making loans to officers or employees of the CCIDA, or any member of the Loan Review Committee or anyone who reviews, approves or participates in decisions on the RLF. Conflict of interest determinations shall be made by the CCIDA's General Counsel.

*\*(Exceptions may apply)*

III. Types of Loans

- A. Acquisition of machinery and equipment.
- B. Acquisition, construction, and renovation of real property.
- C. Working capital up to a maximum of \$100,000.

IV. Loan Terms (Subject to change from time-to-time)

- A. The minimum loan amount is **\$50,000** up to a maximum of **\$1,000,000** under special circumstances. Projects must demonstrate the ability to retain and/or create one job per \$35,000 of RLF funds requested. This is on a total project lending ratio of 10% owner equity and up to 45% of the remaining project balance provided by the RLF with the remaining funding provided by other lenders, either public or private.

V. Security Required\*

- A. Loans are to be secured by real property owned by the business and/or individual owners.
- B. Purchase-money security interest in machinery and equipment.
- C. Personal guarantees are required by owners of twenty percent (20%) or more of the borrowing entity.
- D. Such other collateral as may be determined to be acceptable.
- E. Assignment of life insurance for the amount of the loan.

*\* At its discretion, the County of Chautauqua Industrial Development Agency (CCIDA) Board may recommend modifications and/or waivers to security/collateral positions if circumstances warrant.*

VI. Fees and Administrative Costs

- A. There is a non-refundable application fee of \$250.00 due upon submission of the application for consideration.
- B. A commitment fee equal to 1% of the approved loan amount is due to the CCIDA upon return of the signed commitment letter.

VII. Application and Closing

- A. An application for the RLF is available on request from the CCIDA.
- B. The loan applicant is responsible for all RLF closing and attorney fees associated with the loan incurred by the CCIDA.
- C. RLF funds are not disbursed until the project is complete and in place. It is the borrowers' responsibility to secure "bridge financing" for the RLF funds in the interim.

VIII. Loan Review Process

- A. The Loan Review Committee consists of up to seven members. Two are representatives from the CCIDA Board, one of which will chair the meeting. The remaining members are current or former commercial banking officers not associated with the CCIDA.
- B. The Loan Review Committee MUST recommend the loan for the loan to go forward for consideration by the CCIDA Board of Directors.
- C. The Loan Review Committee meets monthly, normally on the 2<sup>nd</sup> Wednesday. All applications to be considered during that month MUST be received for processing by the COB on the 1<sup>st</sup> business day of that month.

IX. Confidentiality and Disclosure

All RLF applications are treated with a high degree of confidentiality during the review process and, with the exception of file copies, are destroyed upon final CCIDA Board determination. However, loan determinations are voted on at a public meeting of the Loan Committee and the CCIDA Board at which time general information regarding the loan becomes public record.

CCIDA Board meetings and Loan Committee meetings are live streamed and open to the public, and are typically covered by local media representatives. The CCIDA has no control over what the media reports. Therefore, all applicants must be prepared to have their pending project made public on the date of the official CCIDA Board action.

## **EDA CARES REVOLVING LOAN FUND PLAN**

(June 2025)

### **PART 1: THE EDA CARES REVOLVING LOAN FUND PLAN**

#### **OVERVIEW:**

The purpose of the EDA Cares Revolving Loan Fund Plan (RLF) is to foster and maintain economic growth in Chautauqua County by means of investments which stimulate job creation and job retention. This is accomplished by assisting existing businesses and industries, by providing much needed seed capital to start-up ventures, or by providing low interest financing for more established firms.

The CCIDA strives to increase economic base diversification in the county which includes the development of non-manufacturing opportunities in areas such as recreation and tourism, agri-business, and promotion of industry unrelated to the existing mix by using funds to attract new business enterprises, especially those technologies that will broaden the economic base.

More and more, the commercial banks serving the area are limiting their willingness to provide funding for smaller working capital requests. This has had a profound effect on smaller business' ability to remain healthy and competitive. The RLF also addresses the working capital needs of businesses in Chautauqua County.

The goal of the RLF is to help meet the funding needs for private sector job creation and retention projects in order to:

- 1) Create and retain private sector jobs;
- 2) Improve and broaden the local tax base, increasing revenue for local municipal entities;
- 3) Increase per capita income in Chautauqua County; and
- 4) Diversify and stabilize the general economic base.

The RLF achieves these goals by:

- 1) Providing gap financing for business that private lenders cannot or will not provide;
- 2) Leveraging both private and public funds;
- 3) Providing a source of funding for economic development of specific business sectors such as women owned, minority owned, export, strategic industries including; agri-business and tourism, growth businesses, and sole proprietorships;
- 4) Assisting small businesses and entrepreneurs in obtaining credit; and
- 5) Providing a source of funds for capital equipment.

Objectives established to measure progress towards these goals are to:

- 1) Maintain unemployment rates within three (3) percentage points of the national average;
- 2) Stabilize and aid growth of per capita income relative to U.S. per capita income;
- 3) Economic base diversification in areas subject to large fluctuations in employment; and
- 4) The preservation of existing employment.



## **PART IA: REGIONAL COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY (CEDs)**

*See Attached Exhibit A*

## **PART IB: FINANCING OBJECTIVES**

Financing needs in Chautauqua County are significant, and stem from conditions explained earlier. Most area lending institutions are “satellites” of larger regional banks often without local lending authority or limited local lending authority. Others are divisions of much larger statewide or regional banks that often prefer to work only with their large industrial customers. Smaller local banks have made efforts to enter the commercial lending market; however, their participation is often limited. Larger lending institutions outside of the area have little interest in financing small projects. Other credit difficulties include the unwillingness of banks to make loans on a long term fixed-rate basis, (which is critical for the stability of new businesses), and restrictive collateral requirements.

Local firms that are seeking to undertake projects that create or retain jobs are typically offered funding at a high-interest and on a short-term basis. And this typically doesn’t cover the entire project cost, if indeed the financing is approved. The challenges are not limited to one or a few business sectors, but are pervasive throughout the Chautauqua County business community. The RLF helps to overcome this problem by offering a selection of loan fund alternatives to better serve the needs and diversity of Chautauqua County. Longer term loans at moderate interest rates, more flexible collateral and equity arrangements, and the leveraging of other sources of capital are components of the RLF plan. The RLF also helps to meet the extra financing gap faced by minority, women-owned, and small businesses.

The availability of working capital is limited in Chautauqua County. The RLF addresses this issue for various kinds of working capital situations. The lending strategy includes assigning additional priority to the following types of projects:

1. Minority and/or female-owned business;
2. Businesses with demonstrable links to other local businesses (i.e., that will use local goods and services);
3. Projects with higher-than-average wages or growth potential; and
4. Locally-owned projects.

The RLF provides financing to enable local businesses to expand, to take on new contracts for which the availability of working capital is limited, and to increase manufacturing participation in the export market. The financing facilitates the development of capital projects, which ultimately increases the tax base while providing new jobs. The increased tax base and employment opportunities benefits Chautauqua County's economy by increasing the funding available for infrastructure maintenance and improvement, and by increasing the per capita income.

New ventures, expansions of existing companies, the opportunity to invest in future-oriented enterprises, and the spin-off and synergies of increased activity create new jobs in the county, which have both a psychological and economic impact on Chautauqua County and its residents. Increased opportunity brings a more optimistic outlook, which should promote more investment, and thus, more opportunity.

## **PART IC: FINANCING STRATEGY**

### **OVERVIEW:**

Financing made available through the AL Tech Loan Fund to foster new investment and job creation, prior to 2010, was derived from the repayment of loans made to businesses as the result of a \$10 million Economic Development Administration (EDA), Title IX grant awarded to the state of New York Commerce Department in 1976. Capitalization of the RLF and disbursements of loan proceeds from the fund occurred over time corresponding to various loan amortization schedules and approved loan closings. As a result, inflows of cash and disbursements were in relative balance and the RLF did not, during that 40-year timeframe, experience any sustained period of having cash on hand in excess of EDA RLF regulations.

From 2002 to 2010, a confluence of events resulted in both a substantial influx of capital to and a reduced, but improving, outflow from the AL Tech Loan Fund:

- New York State recapitalized the RLF by re-investing \$13 million into the fund.
- The CCIDA's lending policies and procedures were revised to meet more stringent lending standards.
- The credit review policies and procedures of the CCIDA significantly reduced the timelines for loan approvals and closings. During this period the AL Tech Fund's administration was turned over to the CCIDA. Previously it was administered by the New York Job Development Authority.
- The state and national economies entered a recessionary period resulting in reduced demand for investment capital.
- The RLF is a take-out lender making it necessary for the project to be totally complete before disbursing AL Tech funds to permanently replace commercial "bridge financing".

This plan identifies the following factors among others indicative of the need for continued efforts to achieve the economic adjustment of the Chautauqua County area:

- Long term decline of high wage, high benefits manufacturing jobs.
- Sustained population out-migration.
- Chronic unemployment and under-employment.

The enhanced application and utilization of the RLF is helping to overcome these economic challenges by offering a flexible capital resource to better serve the needs and diversity of the County's emerging business growth sectors. Longer term loans at lowered interest rates, more flexible collateral and equity arrangements, the leveraging of other sources of capital, local lending authority, and expansion of working capital financing activities are included in the RLF Plan. The Fund also helps meet the particular financing needs faced by minority-owned, women-owned, and small business enterprises.

The lending strategy includes assigning priority to the following types of projects:

1. Minority and/or female-owned business;
2. Information and communications technology businesses;
3. Tourism related businesses;

4. Commercial projects in targeted development zones;
5. Business with demonstrable links as suppliers to existing industries;
6. Businesses specializing in producing or providing national defense or Homeland Security products or services;
7. Agricultural oriented businesses; and
8. Projects with higher-than-average wages or growth potential.

Further, the revised lending strategy increases its focus on financing projects located in industrial parks and for brownfield remediation projects. In addition, the RLF is a source for private developers to gain access to low interest funds to accomplish projects related to the retention of established businesses, or attraction of new businesses that are unable to assume real estate obligations.

The strategy reflects flexibility based on changes in the market demand for capital. Since 2010, the CCIDA received an ever-wider range of requests for financial assistance from the AL Tech Loan Fund reflective of growth in the business sectors and the opportunity to promote the economic development projects cited above.

The RLF provides the financing needed to allow local businesses to expand, to take on new contracts for which the availability of working capital is limited, and to increase manufacturing participation in the export market. The new financing strategy facilitates development of projects within industrial parks in which the County has invested or has committed nearly \$15 million since 1999. This activity will encourage the clean up and development of underutilized industrial sites with evidence of environmental concerns, and it will foster enterprise through venture capital projects and near-equity financing. It will also encourage on-shoring by providing suitable sites that have the appropriate infrastructure for these sectors to flourish. As a result, the RLF is improving the tax base while providing new jobs. An increase in the tax base and an increase in employment opportunities is benefitting the County's economy by increasing the revenues available to municipalities for infrastructure maintenance and improvement, and by increasing the per capita income.

The stimulation of private investment is leveraging expanded commercial financing. Projects that would not attract sufficient private investment to provide the equity required by the banking community are being accomplished by leveraging commercial monies with the RLF.

New ventures, expansions of existing companies, the opportunity to invest in future-oriented enterprises, and the spin-off and synergistic effects of increased activity creates significant numbers of new jobs in the County. The creation of new jobs is having both a psychological and economic impact on the county. Increased opportunity is bringing a more optimistic outlook, which is promoting more investment and thus, more opportunity.

## **PART ID: FINANCING POLICIES**

### **Interest Rates:**

The interest rate is evaluated, and may be reset from time to time by the CCIDA Board of Directors. The minimum interest rate may not be set lower than 4%. The maximum interest rate is that allowed under New York State law. The current interest rate approved by our Board of Directors is 4% fixed on all loans.

**Loan Terms:**

The maximum term for working capital loans has been established at 7 years; the maximum term for machinery, equipment, furniture, and fixture loans is 10 years; and the maximum term for real estate loans is 20 years.

The terms of existing loans may be modified or extended by the CCIDA to enhance the capability of the RLF in achieving program objectives. If a modification is requested on loan repayments, the maximum time period will be for twelve (12) months. A modification is only considered when a borrower demonstrates financial extremis that can be rectified in a reasonable amount of time, not to exceed 12 months. In certain instances, moratoria (AKA forbearance) are permitted on outstanding principal payments. The maximum moratorium granted is a period of six (6) months. Granting of a moratorium is based on a review of borrower financial statements by both the CEO and CFO. The CCIDA Board is notified of the loan modification at the board meeting immediately following the action.

**Collateral Requirements:**

In the determination of collateral requirements, the grantee may consider the merits and potential economic benefits of each request. A collateral position is required, except in specially approved circumstances. The borrower is expected to demonstrate an ability to repay the loan prior to closing.

When appropriate and practical, RLF financing may be secured by liens or assignments of rights in assets of assisted forms as follows:

- 1) In order to encourage financial participation in a direct fixed asset loan project by other lenders and investors, the lien position of the RLF may be subordinate and made inferior to lien or liens securing other loans made in connection with the project.
- 2) In projects involving direct working capital loans, the RLF will normally obtain collateral such as: liens on inventories, receivables, fixed assets and/or other available assets of borrowers. Such liens may be subordinate only to existing liens of record and other loans involved in the project.
- 3) In addition to the above forms of security, the RLF also requires: security in the form of assignment of patents and licenses, and such other additional security as the grantee determines is necessary to support the RLF exposure.

RLF loan requests submitted by closely held corporations, partnerships, or proprietorships, dependent for their continuing success on certain individuals, will ordinarily be expected to provide and assign to the CCIDA, life insurance on key persons.

Personal and/or corporate guarantees are typically required from principal owners who own 20% or more of the company.

The Borrower must obtain adequate hazard or other forms of insurance (i.e., flood insurance) as appropriate. A lender's loss payable endorsement on that insurance is also required.

**RLF Recapitalization:**

All proceeds from loan and investment interest are returned to the RLF for making additional loans, with the exception of the amount used for administrative purposes including, but not limited to: origination, underwriting, legal, accounting, portfolio management, and reporting requirements.

The minimum loan amount is \$50,000 up to a maximum loan amount of \$1,000,000. This is dependent on a total project lending ratio of 10% owner equity and up to 45% of the remaining balance provided by the RLF with the additional funding provided by other lenders, either public or private.

**Fee Structure:**

Loan origination fees of \$250.00 are due and payable upon submission of the completed application to the CCIDA. Loan commitment fees are due and payable upon return of an executed loan commitment letter. The commitment fee is equal 1% of the loan amount.

**PART IE: RLF SELECTION CRITERIA**

Advertisement of the RLF program and solicitation of applications is conducted primarily through the CCIDA, and is coordinated closely with other economic development agencies and local development groups located throughout Chautauqua County. In addition to local officials, board members, county development groups, bankers and others who are familiar with the RLF convey this information by word-of-mouth referrals, which makes up a large proportion of contacts with potential applicants. The loan portfolio reflects a wide range of businesses, from family-owned businesses to multi-million-dollar industrial corporations.

The CCIDA has received an increasing number of requests for information on funding criteria and requests for applications. These contacts are referred to individual staff members where, through telephone and in-person interviews, proposals are initially screened. Those which are not eligible for funding or which do not appear to meet program guidelines are given direction as to how they might be made eligible, or referred to other agencies where appropriate. Contacts with potential RLF projects receive application forms and usually meet with staff for technical assistance in preparing the application and gathering the necessary paperwork to complete the loan application and documentation criteria.

**LOAN SELECTION AND APPROVAL PROCESS:**

When an application is submitted, it is checked for completeness, regulatory compliance, adequate collateral and financial strength, a Loan Review Committee meeting is scheduled and the application and supporting documentation are presented by a CCIDA staff member and/or the applicant. The Loan Review Committee evaluates the merits of the application and compliance with established eligibility criteria. If the Loan Committee favorably supports the loan application, the loan request is forwarded to the CCIDA Board of Directors for consideration. The CCIDA Board may either "approve" or "disapprove" the loan application. Upon approval, a loan commitment letter will be issued outlining terms and conditions of the loan. Loan funds are provided when the loan is closed.

**Selection criteria include:**

- Job benefits to minorities, women, or long-term unemployed should be in proportion to the percentage of the local labor force in these categories.



- RLF loans are only be used for purposes which directly result in private sector job creation or retention, and which contribute to the economic development or stabilization of Chautauqua County.
- RLF loans only finance businesses and economic development projects as outlined in the above financing strategy.
- Any activity directly related to the creation or retention of jobs is eligible; land, improvements, renovation, expansion, equipment, working capital, etc...*either directly to a business or indirectly through a developer for the benefit of the business.*

Applicants are rated according to the above standards, with additional priority being given to the types of businesses and projects as outlined in the above financing strategy.

### **Restrictions on the use of RLF.**

The RLF cannot be used to:

- 1) Acquire an equity position in a private business.
- 2) Subsidize interest payments on an existing loan.
- 3) Provide for borrowers' required equity contributions under other Federal Agencies loan programs.
- 4) Enable borrowers to acquire an interest in a business, either through the purchase of stock or through the acquisition of assets, unless sufficient justification is provided in the loan documentation. Sufficient justification may include acquiring a business to save it from imminent closure or relocation, to acquire a business to facilitate a significant expansion, or increase in investment with a significant increase in jobs. The potential economic benefits must be clearly consistent with the strategic objectives of the RLF.
- 5) Provide RLF funds for the purpose of investing in interest bearing accounts, certificate of deposit or any other investments.
- 6) Refinance existing debt, unless:
  - (a) The Recipient sufficiently documents in the loan documentation a "sound economic justification" for the refinancing (e.g., the refinancing will support additional capital investment intended to increase business activities). For this purpose, reducing the risk of loss to an existing lender(s) or lowering the cost of financing to a borrower will not, without other indications, constitute a sound economic justification; or
  - (b) RLF funds will finance the purchase of the rights of a prior lien holder during a foreclosure action which is necessary to preclude a significant loss on an RLF loan. An RLF loan may be used for this purpose only if there is a high probability of receiving compensation from the sale of assets sufficient to cover the RLF's cost plus a reasonable portion of the outstanding RLF loan within eighteen months following the date of refinancing.
- 7) Making loans to officers or employees of the CCIDA, or any member of the Loan Review Committee or anyone who reviews, approves, or participates in decisions on RLF loans. Conflict of interest determinations shall be made by the Agency's General Counsel.

The RLF program is designed as a supplement to the private credit market, not to supplant it, providing funds in situations where other lenders will not, or where the interest rates and loan terms and conditions available prevent project implementation/completion. The RLF also differs from private lenders in that it is primarily a development tool, not a profit-making program. Its security and interest are designed to protect the long-term viability of the RLF for use in the area's economic growth and longevity.

## **PART IF: PERFORMANCE ASSESSMENT PROCESS**

The stated economic adjustment objectives relate to fostering and maintaining economic growth in Chautauqua County by means of providing financing which stimulates private sector investment, job creation, and growth. This is accomplished by either assisting existing businesses and industry, by providing much needed seed capital to start-up ventures, or by providing low-interest financing for more established firms.

Economic base diversification in the County includes the development of non-manufacturing opportunities in areas such as recreation and tourism, agri-business, and promotion of industry unrelated to the existing mix by using funds to attract new business enterprises, especially those technologies that will broaden the economic base.

The goal of the RLF is to help meet the financing needs for private sector investment and job creation and retention projects in order to:

- 1) Create and retain private sector jobs.
- 2) Improve and broaden the local tax base, increasing revenue for local municipal entities.
- 3) Increase per capita income in the County.
- 4) Diversify and stabilize the general economic base.
- 5) Maintain the County unemployment rate within 3 percentage points of the national average.

Annually, the CCIDA Board reviews job creation and retention, unemployment rates as published by the NYS Department of Labor, business closings, population, and per capita income information. As part of this review, the CCIDA Board evaluates the impact of the RLF on the five (5) criteria listed immediately above. In the event that the RLF is not performing satisfactorily to stimulate investment, job retention and creation, and improvements in the economic base, the financing strategy will be reviewed and modified as needed to enhance marketability and performance. Operation of the RLF is reviewed annually as to its ability to meet the needs of the businesses and borrowers in the service area.

## **PART IG: PORTFOLIO STANDARDS AND TARGETS**

A number of standards have been adopted which apply to the aggregate of future loans made. The standards are:

1. An average of \$35,000 of RLF funds per each job created or retained.
2. The RLF loans must leverage private investment of at least two dollars for every one dollar of RLF funds. This leveraging requirement applies to the entire RLF portfolio rather than to individual loans. An overall fund leveraging ratio of two dollars for every one dollar of RLF funds, regardless of how the borrower's contribution is comprised (equity, commercial lender).
3. Fixed asset loans shall not exceed 90% of the fund capitalization.

4. The maximum amount of any loan to a single borrower shall not exceed \$1,000,000, except in special circumstances: Example: The project involves either a new industry start-up or the threatened shutdown of an employer which will negatively impact a minimum of 75 jobs.
5. Working Capital Loans shall not exceed 30% of the RLF capitalization. Individual working capital loans will not exceed \$100,000.

## **PART II: RLF OPERATIONAL PROCEDURES**

The CCIDA is a not-for-profit, public benefit corporation of the State of New York responsible for a variety of services extended to business and industry throughout Chautauqua County. Organized in 1972, the CCIDA was enacted into law by the New York State Legislature at the request of the Chautauqua County Legislature.

### **PART IIA: ORGANIZATIONAL STRUCTURE**

In performing its several and varied functions, the CCIDA is administered by a nine (9) member Board of Directors. The CCIDA Board is composed of business and community leaders from throughout Chautauqua County, who are appointed by the Chautauqua County Executive and confirmed by the Chautauqua County Legislature for four (4) year terms. The CCIDA staff consists of professional and support workers, under the direction of the Administrative Director/CEO of the CCIDA. CCIDA staff have the responsibility and perform the technical skills for the RLF, including: marketing of the fund, loan packaging, credit analysis, and loan servicing. CCIDA staff also have responsibilities in the planning, implementation, and evaluation process of the Agency's programs. CCIDA staff members operate under the direction and oversight of the Board of Directors.

As previously stated, the administration of the RLF is by the Board of Directors and staff of the CCIDA. Loan reviews are performed by a separate Loan Review Committee composed of five (5) commercial loan officers and two (2) members of the CCIDA Board of Directors. A list of the loan review committee members will be maintained by the Portfolio Administrator. Specifically, the following functional units are involved in the administration of the RLF:

- 1) The RLF Loan Review Committee consists of two members of the CCIDA Board (one of whom chairs the meeting) and up to five current or former commercial banking officers not associated with the CCIDA. The Loan Review Committee must approve the loan for the loan to go forward for consideration by the CCIDA Board of Directors.
- 2) The CCIDA staff work with loan applicants to help assemble and complete applications that meet all program guidelines and federal regulations. CCIDA staff also assists with monitoring, reporting and program development.
- 3) The Administrative Director/CEO, CFO/Portfolio Administrator, Executive Assistant, and Business Development Manager(s) all devote part of their time to RLF tasks.

The staff of the CCIDA have valuable experience in administering the Agency's revolving loan programs. The CCIDA is committed to supporting and participating in continuing education training opportunities for staff related to loan fund activities and credit analysis.

The CCIDA utilizes the services of a legal firm to prepare loan closing documents and assist in collections. When RLF monies are packaged with other public or private funds, the CCIDA performs

credit analysis for the agency and coordinates inter-creditor agreements, if needed, of the loan package with banks, and other lender agencies.

## **PART IIB: LOAN PROCESSING PROCEDURES**

The CCIDA enters into direct loan relationships with borrowers. All loans, whether direct or indirect, must be eligible under the RLF Plan. While the Loan Processing Procedures discussed in this section apply to direct loan relationships with borrowers, the same procedures are generally followed with indirect loans.

### **Standard loan application requirements**

The CCIDA discusses preliminary applications with the applicant, its professional advisors, and the other project lenders prior to determining that an application meets the program requirements. Once a project is determined to be eligible for RLF assistance, the Basic Loan Application Requirements checklist is given to all applicants to indicate required application items. Not all items may apply to a particular applicant and applicants may be requested to supply additional information. In general, the RLF attempts to reduce the applicant's paper-work burden by using existing applications and loan write-ups as the basis for the RLF's due diligence. Staff works with applicants to assist them in the preparation of their applications. All projects are reviewed at frequent staff meetings with particular emphasis on finding alternatives for projects not yet deemed eligible.

### **Credit and background reports**

The CCIDA generally provides only a portion of the project financing with financial institutions, other public RLF's and professional/private lenders and investors providing the balance. Hence, the CCIDA relies on the due diligence efforts performed by the senior lenders. However, bank, supplier and customer reports on applicants may be requested especially when the loan request represents a higher risk than normal. Dun & Bradstreet Report(s) are required on all loan applicants.

### **Appraisal reports**

The CCIDA generally requests competently prepared third-party asset appraisal reports on real or personal property when the requested loan represents a higher risk than normal and the specific asset to be appraised is expected to be a major portion of any collateral liquidation proceeds available to satisfy the RLF loan request. Given the high cost of reliable appraisals, they are ordered on an "as needed" basis to sustain projects with meaningful expected economic benefits.

### **Environmental reviews**

The CFO/Portfolio Administrator, retained closing counsel, and partner banks review all environmental work and appraisals/surveys, to ensure they comply with applicable laws, regulations, and federal standards. Each application is assessed on its potential environmental impacts and is vetted with the following in mind:

- The applicant's ability to mitigate adverse environmental impacts. Where applicable, all approvals are made contingent on completion and documentation of mitigation, as reviewed by an environmental survey professional.

- The environmental survey is conducted with an analysis of floodplain implications. No activity shall be financed which would result in new above-ground development in a 100-year floodplain.
- A determination shall be made as to a project's impact on any wetland area. Consultation with the US Department of the Interior Fish and Wildlife Service and the Army Corp of Engineers is necessary to proceed in any instance where an adverse wetland impact is determined.
- In applicable instances, the State Historic Preservation Officer is consulted to determine the impact of a proposed project on historic and archeological resources.
- All applicants are required to complete a Short Environmental Assessment form and disclose the presence of any hazardous substances, underground tanks, and other potentially dangerous materials. All unmitigated or unresolved contamination issues are required to be resolved prior to loan closing.

### **Standard collateral requirements**

Minimum collateral shall include specific assets being financed by the RLF loan. Generally, the RLF will seek blanket security interests in all the borrower's assets exclusive of real estate. Collateral security mortgages (CSM) on real estate may be taken to bolster the blanket security interest when the real estate represents a significant portion of the likely collateral value available to the RLF.

### **Guarantees by significant owners**

For the RLF, generally anyone exercising 20% or more voting control of an applicant are required to guarantee the repayment of the loan. Requests for modification of this requirement are recommended to the Loan Review Committee or full Board as appropriate based on an evaluation of at least the following factors:

- The ownership structure of the applicant.
- Applicant's financial condition including historical and projected performance and cash flow.
- Value and liquidity of the collateral likely to be available to the RLF if a need to liquidate collateral arises.
- Guarantors' ability to influence applicant's financial performance and each guarantor's own ability to perform under the guaranty. For example, purely passive investors with limited ability to influence actions taken by the borrower will not generally be required to guarantee.

### **Insurance**

General liability insurance and property loss insurance covering the assets securing the RLF is required. Loan requests for businesses heavily dependent on one or two key management individuals generally require Keyman Life Insurance on the lives of those individuals. Whenever a real estate mortgage is taken, flood insurance is required (if needed), provided that it is available on commercially reasonable terms and conditions. Whenever a real estate mortgage is taken, title insurance is required provided that it is available on commercially reasonable terms and conditions.

### **Equity requirements**

A 10% amount of applicant equity is generally required. The amount of the applicant's equity is considered in the RLF's decision to approve or decline the project. Assets contributed as applicant equity may require an appraisal to support borrower's estimate of value.



## **Loan write-up**

Loan Officers prepare project summary write-ups that are a brief and concise analysis of the borrower and the project, building the case for their recommendation including the principal risks, the mitigating circumstances to these risks, and the public benefit reasons for RLF assistance to the project. While the CCIDA typically prepares the write-up, loan write-ups prepared by financial institutions, private lenders, and investors in the project can be incorporated to minimize paperwork requirements for the borrower. In such cases, CCIDA staff prepare a supplemental write-up. Allowing for variations in relevant information, the content generally includes the following:

1. Company/Project Information: Business history, consistency with RLF criteria including dollars per job and leverage, CCIDA's environmental determination, and NAICS codes
2. Management: Identify key management, their previous business experience and roles in the borrower, significant company owners, professional advisors and members of company's governing board
3. Product: Description, importance to potential markets, intellectual property issues, production issues
4. Marketing: Targeted market niches and growth rates, competing products, marketing and sales strategy, market conditions
5. Financial: Sources and uses of all project financing, description of project financing, collateral, historical and projected financial statements including cash flow and repayment ability, name of bank of account, explanations of significant balance sheet and profit & loss statement account balances
6. Other:
  - a) A collateral liquidation analysis should be included when factors such as the applicant being a start-up or financially troubled imply a fluctuating, erratic or unproven cash flow and thereby create a higher-than-normal possibility of reliance on collateral liquidation for repayment of the loan.
  - b) The loan write-up must discuss how the proposed RLF loan is not replacing private lender funding available to the project on a commercially reasonable basis.

## **Documentation of loan approvals and declinations**

The completed loan write-up is presented to the Loan Review Committee by the Loan Officer. Copies of the loan write-ups are mailed/e-mailed or delivered to the members of the Loan Committee 3 or more days before the date of the Loan Review Committee Meeting. Minutes of Loan Review Committee meetings will generally be made by the Loan Officer. If the loan is recommended by the Loan Review Committee, the loan request is discussed and voted on by the CCIDA Board at its next scheduled meeting. Loans not recommended by the Loan Review Committee will not proceed to the CCIDA Board and the loan applicant will be notified of loan request denial.

RLF applicants are notified formally of an approval by the standard Loan Commitment letter indicating the transaction was approved.

Loan commitments do not remain open more than 120 days from approval date without the approval of the Chairman or Administrative Director/CEO of the CCIDA. Loan commitments expire regardless 365 days after approval unless extended after a follow-up review by the Loan Review Committee.

## **PART II:C: LOAN CLOSING AND DISBURSEMENT PROCEDURES**

### **Standard loan closing documents**

The Chief Financial/Lending Officer (Portfolio Administrator), and the assigned RLF Loan Officer are responsible for closing the loan as approved or for obtaining approval for necessary modifications. Guaranty agreements by all significant owners are standard unless the Loan Committee or the full Board has specifically approved the loan with non-standard guarantees or without guarantees. At a minimum the following collateral documents are executed by all necessary parties before any RLF funds are advanced:

- The Promissory note.
- Borrower's and guarantors' General Certificate (if a corporation or partnership) authorizing the transaction or guarantee and with supporting documentation satisfactory to the RLF counsel;
- Borrower's written acknowledgement and acceptance of all Federal requirements applicable to loan recipients.
- Loan Application.
- Loan Agreement. \*
- CCIDA Board Minutes approving loan.
- Security Agreement(s).
- Deed of Trust/Mortgage (as applicable).
- Agreement of prior lien holder (as applicable).
- Signed bank “turn-down” letter demonstrating that credit is not otherwise available.

*\*To ensure that RLF funds are used as intended, each Loan Agreement clearly states the purpose of each loan.*

### **General closing requirements**

The closing of the RLF loan is contingent upon the prior closing of, or simultaneous with, all other project funding.

### **RLF counsel's role in document preparation and closing**

When requested to prepare closing documentation or to review standard documents completed by staff, RLF counsel has the responsibility to ensure that documentation appropriate to the transaction has been prepared in compliance with the loan approval and the RLF standards. Counsel attends all loan closings, and obtains or cause borrower's counsel to obtain copies of the Uniform Commercial Code (UCC) Filing Searches, dated as close to the closing date as possible for all of the borrower's business locations prior to closing the loan.

### **Equity injection and matching financing evidence**

Borrowers' equity, private and other public financing in the project, is required to be verified and documented to the satisfaction of the RLF Loan Officer and counsel closing the transaction.

### **Uniform Commercial Code filings**

After review of the existing Uniform Commercial Code Financing Statement filings, RLF counsel prepares, if necessary, an Inter-Creditor Agreement (among all creditors of record) and the appropriate UCC filings for signature at closing. Counsel promptly files the Financing Statements in the

appropriate filing offices and may order a search of Financing Statements after closing to document that the RLF's interest is properly filed. The Financing Statements are added to the CCIDA's index of renewal filing dates and are renewed in a timely manner.

### **Fund requisitioning and disbursement procedures**

Prior to the disbursement of loan proceeds to any borrower, the following occurs:

1. The Loan Officer verifies the project is complete and the loan amount requested is available within the approved credit facilities and complies with collateral guidelines.
2. The Loan Officer notifies the Chief Financial Officer that the loan requirements have been satisfied and a check can be processed for the loan amount.

## **PART IID: LOAN SERVICING PROCEDURES**

### **Standard procedures**

As a requirement for closing of the RLF, the borrower must provide the CCIDA with an "Automatic Debit Authorization" from a bank account of the borrower. During the term of the loan, the monthly principal and interest payments are automatically deposited into the RLF account on the first business day of the month. Each month a computer-generated Payment Report is produced which lists each loan and the principal balance remaining to be repaid.

### **Loan monitoring including site visits**

Site visits are made by the Loan Officer prior to the presentation of the loan write-up for approval. Individual Loan Officers is required to make annual site visits to all active borrowers assigned to their supervision.

### **Administration of financial statement and requirements**

The CFO/Portfolio Administrator maintains a database of all required financial statements and insurance coverage and produces frequent reports for delinquent items. The CFO/Portfolio Administrator and Loan Officers follow-up with borrowers for missing or late items. However, the Loan Officer assigned to monitor a loan is ultimately responsible for obtaining the required financial statements and insurance coverage.

All loan files are required to contain, at a minimum, the original loan application and related closing documents as well as a copy of the private lender loan agreement, financial statements, insurance certifications, annual site visits, job reports, and general correspondence. All active and closed loan files are kept in a secure/fireproof area and include the following: original notes, loan agreements, personal guarantees, and security agreements. Closed loan files and related documents are maintained for a period of three (3) years from the date of final disposition of such closed loan.

### **Administration of UCC filings including continuations**

The Portfolio Administrator maintains a database of all Uniform Commercial Code Financing Statements naming the RLF as the Lender and any Financial Statements for newly-closed loans as they are received. The Portfolio Administrator renews UCC's as required. UCC Financing Statements are

always renewed unless all credit relationships (loans, guarantees or other credit facilities) with the borrower have been repaid and/or are cancelled.

### **Delinquent Loan Procedures**

RLF loan repayments are considered delinquent if principal/interest repayment has not been made within thirty (30) days of the original due date. If the borrower has not communicated with the CCIDA as to the reason for such delinquency within the thirty (30) day period, the loan is considered in default. The RLF staff, with subsequent approval by the CCIDA Board, may approve alternate repayment plans (i.e., repayment moratoriums, interest only payments).

The standard delinquent loan procedure is as follows:

- 1) When a loan payment is 15 days overdue the company in arrears is contacted by telephone and their response detailing when payment will be made is documented.
- 2) When a loan payment is 30 days overdue the company receives a standardized letter stating payment must be received in 30 days or legal counsel will pursue collection.
- 3) When a loan payment is 60 days overdue, the CCIDA requests an in-person meeting with the borrower and their legal representative to discuss the delinquent loan.
- 4) When a loan is 90 days overdue, the CCIDA may initiate collection actions with the borrower.
- 5) Once a loan falls into default, all pertinent information is turned over to the CCIDA's General Counsel in order to commence legal remediation of the loan balance.

### **Late Payment Penalties**

All RLF Term Notes and Loan and Use Agreements include a late payment penalty provision. Generally, the CCIDA will provide the client a revised invoice with the amount due, including a nonsufficient funds fee.

### **Role of Portfolio Administrator**

The CFO/Portfolio Administrator is responsible for loan monitoring, financial statements, insurance and UCC documents and collection efforts on delinquent accounts. The CFO/Portfolio Administrator manages counsel's collection efforts and makes recommendations for loan restructuring, reserves and write-offs to the CCIDA Board.

The CFO/Portfolio Administrator is also responsible for preparation of the monthly payment report, payment handling and timely deposit of payments, application of payments and maintenance of portfolio records and maintenance of RLF cash funds.

### **Compliance with Federal grant requirements**

Each month, financial statements are prepared for presentation to the CCIDA Board of Directors. As part of this monthly process, every account is reconciled to underlying documents (bank statements, investment account statements, individual loan cards (subsidiary records), etc.) In addition to direct costs, a monthly administrative cost is charged to the RLF. Twice a year, the RLF completes an EDA Semi-Annual Report in the EDA-prescribed format. The basis for the Semi-Annual Reports is the previously mentioned monthly financial statements. The Semi-Annual report provides details of all

sources of fund income and expense as well as a detailed analysis of past and present portfolio performance. **The analysis ensures an effective Allowable Cash Percentage based on the annual target released by the EDA by January 1<sup>st</sup> for the ensuing year.**

Annually, the RLF is subject to an audit. The first part of the audit is financial in nature and detailed with respect to reviewing all financial transactions for accuracy and fairness. The auditing firm performs detailed analysis of income and expense accounts as well as all balance sheet accounts. Since the RLF's largest asset is loans receivable, the auditing firm concentrates on verifying loan balances, tracking and verifying loan payments, reviewing loan loss reserves, and ascertaining the accuracy and reasonableness of RLF interest income. Generally, the audit is completed within 120 days of the RLF's year-end and is provided to the CCIDA Audit Committee, the CCIDA Board, and to all grantor organizations.

The second part of the annual audit is compliance in nature and detailed in respect to reviewing all activities for compliance with applicable grant requirements. The compliance portion of the audit is an in-depth review of all loan documents ensuring that they contain required documentation, authorizations, and approvals.

Grant requirements are reviewed each time the EDA Semi-Annual Report is prepared and filed. RLF staff is also expected to stay well informed regarding EDA requirements through attendance at EDA sponsored grantee conferences, when possible, and review of all updates and other information provided by the EDA.

## **PART IIE: ADMINISTRATIVE PROCEDURES**

### **Creation of Prospect, Loan and Collateral Files**

- In the pre-application phase, information obtained from or about a potential loan customer is maintained in the CCIDA's database files. This database forms the core of the information maintained to monitor and report on the RLF portfolio. General customer information, as well as contact reports, are maintained in the database. Contact reports are printed and filed in folders maintained for each prospect.
- Upon receipt of a loan application, the loan officer opens a file for the applicant and this file remains active, as long as the loan is in active status. Generally, a loan is in active status until it is fully repaid or has been removed from active status because all further means of repayment on the loan have been exhausted.
- Upon receiving closing loan documentation for an approved RLF loan, it is added to the file. The maintenance of the file post-closing is the responsibility of the Records Management Officer.

### **Contents of Loan Files**

Loan and collateral files, as well as other related documents and records, are retained for at least three years following the final disposition of the loan. Final disposition of a loan is defined as:

- a) Full payment of the principal, interest, fees, penalties, and other costs associated with the loan; or
- b) Final settlement or write-off of any unpaid amounts associated with the loan.

The file generally includes all documents pertaining to the loan. At a minimum the file includes the following:

- The application and supporting information submitted by the applicant.

- The loan write-up prepared by RLF staff with supporting due diligence performed by staff or related third-parties.
- Copy of private lender loan agreement(s) as applicable.
- Financial statements required in the application process or as required by the loan documents.
- Correspondence, annual site visits, staff memos and any other non-collateral documents.
- Liability and property insurance certificates.

The complete file is stored in a secure location within standard metal cabinets, along with electronic copies on the secured CCIDA drive.

RLF counsel maintains their own copy of the executed closing documents. For loans closed by staff the Loan Officer is responsible for the preparation of the file.

### **Tracking Loan Payments and Income Sources**

All payments received are handled on a "dual control" basis with a non-finance employee opening the mail and recording all checks received. A finance employee then posts all checks received, prepares and makes the deposit transaction, attaches the bank-receipted deposit receipt, and files the receipt. The CFO/Portfolio Administrator then reconciles and verifies all bank accounts and activities.

### **Control Procedures for Portfolio Monitoring**

Portfolio monitoring is a continuous set of activities including the daily posting of cash receipts, monthly lending staff meetings, Loan Review meetings. and routine meetings of the CCIDA Board.

A monthly computer-generated Payment Report is prepared by the CFO/Portfolio Administrator. Lending staff review payment, financial statements, and insurance coverage delinquencies on a monthly basis. Remedial actions may include phone calls, site visits, meetings with other lenders and retention of professional consultants to investigate problems and recommend solutions.

The Administrative Director/CEO and/or CFO evaluates and takes action on portfolio matters such as requests for principal and/or interest deferrals. Any significant amendment of existing terms and conditions, settlement of, release of guarantors, revision of loss reserves, and recommendations of write-offs are brought to the attention of the CCIDA Board.

### **Job Relocation and Eligible Area Requirements**

The Standard Terms and Conditions incorporated into all RLF loans permit the RLF to demand repayment of a loan if it is established that the borrower has used the loan to relocate jobs from one commuting area to another commuting area or if it is established that the borrower has relocated jobs from the RLF's Eligible Area to another commuting area outside Chautauqua County.

### **Sources of Funding to Cover Administrative Costs**

All staff working on the RLF are employed by the County of Chautauqua, the CCIDA, or both. Loan origination, application processing, legal, accounting, underwriting expenses and other general administrative expenses are borne by the RLF and investment interest earnings, as well as the fees generated from the loan fund. Expenses concerning closing costs and pursuit of borrowers in default of perfection of collateral will be assessed to the borrower, unless the assets of the borrower are



insufficient, in which case administrative expenses are expected to be reimbursed by the RLF account derived from interest earned on loans or investments and fees.

### **Recapitalization Strategy**

As previously stated, recapitalization of the RLF has historically been accomplished only through interest and principal repayment of outstanding loans. It was envisioned, and has come to be, that through proper management and loan account servicing of loans within the RLF, the proceeds would be sufficient to grow the fund to meet all anticipated needs for our service area (Chautauqua County).

### **Other Requirements**

Non-discrimination in lending is assured through the following means:

- 1) Public advertisements of loan programs, including printed and electronic materials.
- 2) Communication with minorities, veterans, the handicapped, and WBE's.
- 3) Direct mailings to organizations in the service area.
- 4) Establishing a rapport with minority organizations in the service area to better inform them of Loan Fund criteria and strategic initiatives.
- 5) Periodically providing announcements that are received by Banks, Accountants, and Minority Organizations restating our programs and commitment to equal opportunity.
- 6) Enlisting the assistance and support of loan recruitment sources in the service area to communicate equal opportunity without regard to sex, religion, national origin, or sexual orientation.

### **Related Legal Requirements**

- 1) RLF loan activities must comply with the requirements of Federal and State laws concerning civil rights, the environment, prevailing wage rates (Davis-Bacon), flood protection insurance, and access for the physically handicapped.
- 2) The RLF is operated in accordance with Economic Development Administration (EDA), RLF Financial Assistance Award Standard Terms and Conditions.
- 2) All loan agreements contain provisions requiring borrowers to agree to adhere to the applicable provisions of these laws and further provide for loan termination in the event of willful failure to comply.
- 3) Applications must include a statement of compliance with all state and federal laws and regulations relative to civil rights.
- 4) The RLF operates in accordance with Generally Accepted Accounting Principles (GAAP).
- 5) All loan documents should have language protecting and holding the Federal Government harmless from and against all liabilities incurred as a result of RLF lending.

### **Amendments to the Plan:**

Any changes and/or additions to this plan which become necessary for any reason will be submitted to the CCIDA Board for approval, and then forwarded to the EDA for review and their subsequent approval.

The CCIDA Board must update the RLF as necessary in accordance with the changing economic conditions in Chautauqua County; however, at a minimum; the RLF is updated every five (5) years. The updated Plan will then be submitted to the EDA for review, comment, and approval.