

**APPLICATION TO FRANKLIN COUNTY CIVIC DEVELOPMENT CORPORATION
TAX-EXEMPT BOND FINANCING**

Applicant: _____

Applicant's address: _____

City: _____ State: _____ Zip: _____

Name of person(s) authorized to speak for applicant with respect to this application:

Telephone number: _____

Name of attorney: _____

Attorney's address: _____

City: _____ State: _____ Zip: _____

Telephone: Area Code: _____ Number: _____

Email: _____

NOTICE

(1) The answers to the questions contained in this application are necessary to determine your company's eligibility for financing and other assistance from the Franklin County Civic Development Corporation ("CDC", or the "Corporation"). These answers will also be used in the preparation of documents for this transaction. Accordingly, all questions should be answered accurately and completely by an officer or other employee of your firm who is thoroughly familiar with the business and affairs of your firm and the proposed project. This application is subject to acceptance by the Corporation.

(2) Please read the instructions on page 2 hereof before filling out the rest of this form.

(3) Return the completed application to:

Franklin County Civic Development Corporation
10 Elm Street, Suite 2
Malone, New York 12953

INSTRUCTIONS

(1) The Corporation will not approve any application unless in the judgment of the Corporation it contains sufficient information upon which to base a decision whether to approve or tentatively approve the project contemplated.

(2) Fill in all blanks, using “none” or “not applicable” or “N/A” where the question is not appropriate to the project which is the subject of this application.

(3) If an estimate is given as the answer to a question put “(est)” after the figure or answer which is estimated.

(4) If more space is needed to answer any specific question, attach a separate sheet.

(5) When completed, return this application to the Corporation at the address indicated on the first page of this application.

(6) THE CORPORATION WILL NOT GIVE FINAL APPROVAL TO THIS APPLICATION UNTIL THE CORPORATION RECEIVES A COMPLETED ENVIRONMENTAL ASSESSMENT FORM CONCERNING THE PROJECT WHICH IS THE SUBJECT OF THIS APPLICATION.

(7) Please note that Article 6 of the Public Officers Law declares that all records in the possession of the Corporation (with certain limited exceptions) are open to public inspection and copying. If the applicant feels that there are elements of the project which are in the nature of trade secrets which, if disclosed to the public or otherwise widely disseminated would cause substantial injury to the applicant's competitive position, the applicant may identify such elements in writing and request that such elements be kept confidential in accordance with Article 6 of the Public Officers Law.

(8) The applicant will be required to remit to the Franklin County Civic Development Corporation (or the County of Franklin Industrial Development Agency or any assigned Agency or firm engaged by the Franklin County Civic Development Corporation associated with this process) all costs incurred in conducting its due diligence in connection with this application and the project contemplated herein (to the extent such expenses are not paid out of the proceeds of the Corporation's bonds issued to finance the project) prior to closing. The costs incurred by the Corporation's general counsel and bond counsel, may be considered as a part of the project and included as a part of the resultant bond issue and remitted at closing.

(9) The Corporation has established a standard fee to be paid by the applicant upon the successful conclusion of all lease transactions requiring a payment-in-lieu-of-taxes (PILOT). The standard fee for lease transactions will be the same as for the sale of bonds with the exception that the formula will be applied to the Project's capital expenditures.

The Corporation has established a standard fee to be paid by the applicant upon successful conclusion of the sale of the bonds and/or on the lease transaction or payment-in-lieu-of-taxes (PILOT). The standard fee for tax-exempt (and non-tax exempt) bonds will be 1% on the first \$25 million, .75% on the next \$25 million, and .5% on anything over \$50 million of the aggregate principal amount of the bonds/lease issued with respect to the Project. The standard fee will be charged on the elements of the total project – on the sale of bonds and on the lease transaction or payment-in-lieu-of-taxes (PILOT).

The Corporation has established a project savings fee to be paid by the applicant upon the recording of the mortgage, said fee being intended to reflect the project savings resulting from the Project's exemption from the mortgage recording tax. The project savings fee for all Projects will be .25% of the Mortgage Recording Tax. The fee will be valid for as long as the Corporation has a title interest in the project.

(10) The Corporation has established an application fee of Five Hundred Dollars (\$500) to cover the anticipated office administrative costs (legal notices, mailings, etc.) of the Corporation in processing this application. A check or money order made payable to the Corporation must accompany each application. THIS APPLICATION WILL NOT BE ACCEPTED BY THE CORPORATION UNLESS ACCOMPANIED BY THE APPLICATION FEE. For extraordinary capital projects in excess of \$50M the Corporation's application fee is \$50,000, non refundable. Applicants will cover all costs associated with third party independent review (i.e. cost-benefit analysis) regardless of project scope. Applicants will cover all staff costs on a time and material basis under a separate Memorandum.

1 INFORMATION CONCERNING TO WHOM THE CORPORATION IS TO LEASE OR SELL THE PROJECT (HEREINAFTER REFERRED TO AS THE "COMPANY")*

1.1. Company name: _____

Present Address: _____

City: _____ State: _____ Zip: _____

Employer's ID No.: _____

1.2. If the Company differs from the Applicant, give details of relationship:

1.3. Indicate type of business organization of Company:

Corporation _____

Indicate: Type of corporation _____

Country of incorporation _____

State of incorporation _____

Date incorporated _____

If not a New York corporation, date authorized to do business in New York: _____

Limited Liability Company _____

Indicate: State of Formation _____

Date of Formation _____

If not formed in New York, date authorized to do business in New York _____

*

The Corporation is not empowered to lend money. The Corporation's participation in the financing of the Project will require the Corporation to acquire a fee or leasehold interest in the Project and to either sell or lease (with option to purchase) the Project to the applicant.

Partnership _____

Indicate: Type of Formation _____
 State of Formation _____
 Date of Formation _____
 Date authorized to do business in New York _____

1.4. Is the company a subsidiary or direct or indirect affiliate of any other organization(s)? If so, indicate name of related organization(s) and relationship:

1.5. (A) Management of Company. List all owners, members, officers, directors and partners (complete all columns for each person)

<u>Name</u>	<u>Address</u>	<u>Office Held</u>	<u>Other Principal Business Affiliations</u>
-------------	----------------	--------------------	--

(B) Has the Company, or any affiliate, now or in the past, been the beneficiary of civic facility or industrial development revenue financing in the County of Franklin or any other jurisdiction in the United States? If "yes," furnish details in a separate attachment.

_____ Yes _____ No

1.6. Principal owners of Company: Is the Company publicly held? ___ Yes ___ No. If yes, list exchanges where stock of the Company is traded:

If no, list all stockholders or partners having a 5% or greater percentage interest in the ownership or profits of the Company:

<u>Name</u>	<u>Address</u>	<u>Percentage of Holding</u>
-------------	----------------	------------------------------

1.7. Company's principal bank(s) _____

1.8 Please supply the following financial information:

- A. Financial statements for the last two fiscal years.
- B. Company's Annual Reports (form 10-K's) for the two most recent years.
- C. Quarterly reports and current reports since most recent. Annual Report, if any.
- D. The same information as above for any expected Guarantor of the proposed bond issue.

II. INFORMATION CONCERNING TO WHOM THE COMPANY INTENDS TO LEASE OR SUBLEASE (OR WHO ARE TO BE BENEFICIARIES OF OUTPUT CONTRACTS WITH RESPECT TO THE PROJECT (HEREINAFTER REFERRED TO AS THE "SUBLESSEES"). Please give the following information with respect to each Sublessee to whom the Company intends to lease or sublease more than 10% of the Project, or sell more than 10% of the output thereof (by area, or fair market value).

2.1. (A) Does the Company intend to lease or sublease more than 10% (by area or fair market value) of the Project?

(B) What percentage of the space intended to be leased or subleased is now subject to a binding written lease or sublease? _____

2.2.(A) Sublessee name: _____

Present Address: _____

City: _____ State: _____ Zip: _____

Employer's ID No.: _____

Sublessee is: ___ Corporation; ___ Partnership; ___ SoleProprietorship; ___ LimitedLiability Company
Relationship to Company: _____

Percentage of Project to be leased or subleased (or output to be purchased): _____

Use of Project intended by Sublessee: _____

Date of lease or sublease (or output contract) to Sublessee: _____

Term of lease or sublease (or output contract) to Sublessee: _____

Prior civic facility or industrial development bond use by Sublessee:

(B) Sublessee name: _____

Present Address: _____

City: _____ State: _____ Zip: _____

Employer's ID No.: _____

Sublessee is: ___ Corporation; ___ Partnership; ___ Sole Proprietorship; ___ Limited Liability Company
Relationship to Company: _____

Percentage of Project to be leased or subleased (or output to be purchased): _____

Use of Project intended by Sublessee: _____

Date of lease or sublease (or output contract) to Sublessee: _____

Term of lease or sublease (or output contract) to Sublessee: _____

Prior civic facility or industrial development bond use by Sublessee: _____

III. DATA REGARDING PROPOSED PROJECT

3.1. Summary (Please provide a brief narrative description of the Project).

3.2. Location of proposed Project:

Street address: _____

3.3. Project size:

(A) Approximate size (in acres or square feet) of Project site: _____

(B) Are there existing buildings on project site? ___ Yes ___ No. (If yes, indicate number and approximate size (in square feet) of each existing building):

(C) Are existing buildings in operation? ___ Yes ___ No. If yes, describe present use of present buildings:

Are existing buildings abandoned? ___ Yes ___ No.

About to be abandoned? ___ Yes ___ No.

2 Utilities service to project site:

Water-Municipal: _____

Other (describe): _____

Heat-Utility: _____

Other (describe): _____

3 Present legal owner of project site:

If the Company (or any Sublessee) owns the project site, indicate date of purchase: _____

Purchase Price _____

If the Company is not the owner of the property, does Company (or any Sublessee) have an option signed by the owner to purchase the project site?

___ Yes ___ No

If yes, indicate date option signed by owner: _____

Date option
expires: _____

If the Company (or any Sublessee) does not own the project site, is there a relationship legally or by common control between the Company (or any Sublessee) and the present owners of the project site?
Yes ___ No ___ (If yes, describe in detail on separate attachment).

(F) Zoning district in which project site is located:

3.4. (A) Does part of the Project consist of a new building or buildings? ___ Yes ___ No. If yes, indicate number and size of new buildings:

(B) Does part of the Project consist of additions and/or renovations to the existing buildings?
___ Yes ___ No. If yes, indicate nature of expansion and/or renovation and the project costs allocable thereto:

(C) Describe the principal uses to be made by the Company of the building or buildings to be acquired, constructed or expanded:

3.5 Equipment

Does any part of the Project consist of equipment and/or machinery which will not be attached to or become part of the building? ___ Yes ___ No. If yes, indicate type of equipment and/or machinery:

3.6. What are the principal products to be produced at the Project?

3.7. What are the principal activities to be conducted at the Project?

3.8. Purpose of Project

(A) Will any portion of the Project be used to provide any of the following purposes:

retail food and beverage services	___ Yes	___ No
automobile sales or service	___ Yes	___ No
recreation or entertainment	___ Yes	___ No
golf course	___ Yes	___ No
country club	___ Yes	___ No
massage parlor	___ Yes	___ No

tennis club	<input type="checkbox"/> Yes	<input type="checkbox"/> No
skating facility (including roller skating, skateboard and ice skating)	<input type="checkbox"/> Yes	<input type="checkbox"/> No
racquet sports facility (including handball and racquetball court)	<input type="checkbox"/> Yes	<input type="checkbox"/> No
hot tub facility	<input type="checkbox"/> Yes	<input type="checkbox"/> No
suntan facility	<input type="checkbox"/> Yes	<input type="checkbox"/> No
racetrack	<input type="checkbox"/> Yes	<input type="checkbox"/> No
airplane	<input type="checkbox"/> Yes	<input type="checkbox"/> No
skybox or other luxury box	<input type="checkbox"/> Yes	<input type="checkbox"/> No
health club facility	<input type="checkbox"/> Yes	<input type="checkbox"/> No
gambling facility	<input type="checkbox"/> Yes	<input type="checkbox"/> No
facility for retail sale of alcoholic beverages	<input type="checkbox"/> Yes	<input type="checkbox"/> No
housing	<input type="checkbox"/> Yes	<input type="checkbox"/> No

If the answer to any of the above questions is “yes”, please furnish details on a separate attachment:

(B) Please answer the following additional questions with respect to the purposes of the Project:

1. Will any portion of the Project consist of facilities or property that are or will be primarily used in making retail sales of goods to customers who personally visit the Project?
 Yes; No.
2. Will any portion of the Project consist of facilities or property that are or will be primarily used in making retail sales of services to customers who personally visit the Project?
 Yes; No.
3. If the answer to question A or question B is yes, will the applicant or any other project occupant be a registered vendor under Article 28 of the Tax Law of the State of New York (the “Tax Law”) primarily engaged in the retail sale of tangible personal property*?

*

* A registered vendor is one who has submitted a proscribed application form to the Department of Taxation and Finance (the “Department”) and has been issued a certificate of authority by the Department to collect taxes from the receipt of retail sales of tangible personal property

4. If the answer to any of the above questions is yes, will the percentage of the total project cost expended on such facilities or property primarily used in making retail sales of goods or services to customers who personally visit the Project exceed 33.33%? Yes; No.
5. If the answer to question D is yes, indicate whether any of the following apply to the Project:
- (a) Will the Project be located in one of the following: (a) the City of New York; (b) an area designed as an economic development zone pursuant to Article 18-B of the General Municipal Law, or (c) a census tract or block numbering area (or census tract or block numbering area contiguous thereto) which, according to the most recent census date, has (i) a poverty rate of at least 20% for the year in which the data relates, or at least 20% of 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.
 - (b) Would the project occupant, but for the contemplated financial assistance from the Corporation, locate the related jobs outside the State of New York?
 Yes; No
 - (c) 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.
 - (d) Will the Project preserve permanent, private sector jobs or increase the overall number of permanent, private sector jobs in the State of New York?
 Yes; No.

If the answer to any of subdivisions (1) through (4) of question E is yes, please furnish details on a separate attachment.

6. Will the project be operated by a not-for-profit corporation? Yes; No.
7. Is the Project likely to attract a significant number of visitors from outside the economic development region in which the Project will be located? Yes; No.

If the answer is yes, please furnish details in a separate attachment.

3.9. Construction status:

- (A) Has construction work on this Project begun? Yes; No
- (B) Has acquisition of this Project commenced? Yes; No

If yes, please discuss in detail the approximate extent of construction (and/or acquisition) and the extent of completion. Indicate in your answer whether such specific steps have been completed as site clearance and preparation completion of foundation; installation of footings; etc.:

(C) Please indicate amount of funds expended on this Project by the Company for each of the three (3) previous years and the purposes of such expenditures:

3.11. Method of construction after Corporation approval:

If the Corporation approves the Project, which is the subject of this application, there are two methods that may be used to construct the Project. The applicant can construct the project privately and sell the Project to the Corporation upon completion. Alternatively, the applicant can request to be appointed "agent" of the Corporation for purposes of constructing the project, which request, if approved, will result in the applicant constructing the Project as "agent" of the Corporation, in which case certain laws applicable to public construction will apply to the Project. Does the applicant anticipate that in the future he may wish to request being designated as "agent" of the Corporation for purposes of construction of the Project?

___ Yes ___ No.

IV. COST BENEFIT ANALYSIS

4.1. Estimated Cost of Franklin County Civic Development Corporation Financial Assistance:

(A) Sales and Use Tax Exemption

1. Amount of Project Cost Subject to Tax: \$ _____
Sales and Use Tax Rate: _____ %

2. Estimated Exemption: \$ _____

(B) Mortgage Recording Tax Exemption

1. Projected Amount of Mortgage: \$ _____
Mortgage Recording Tax Rate: _____ %

2. Estimated Exemption: \$ _____

(C) Real Property Tax Exemption

a. Investment in Real Property: \$ _____

- b. Equalization Rate: \$ _____
- c. Probable Assessed Value: \$ _____
- d. Total Applicable Tax Rates Per \$1000: _____%
- e. Total Taxes (c X d): \$ _____
- f. Proposed Exemption Rates: \$ _____
- g. PILOT Payments (c X f): \$ _____
- h. Net Exemption Amount: \$ _____

(D) Interest Exemption

- a. Total Estimated Interest Expense Assuming Taxable Interest: \$ _____
- b. Total Estimated Interest Expense Assuming tax-exempt Interest Rate:
\$ _____
- c. Interest Exemption (a - b): \$ _____

4.2. Estimated Benefits of Franklin County Civic Development Corporation Financial Assistance:

- (A) Current Company Payroll in Franklin County \$ _____
- (B) Jobs Created

Estimated number of new jobs after project completion:

First Year	Second Year	Third Year	
			New Full Time Jobs
			New Part Time Jobs
			New Seasonal Jobs
			Total

Estimated Increase in Payroll Over Pre-Project Levels:

First Year After Completion \$ _____
Second Year After Completion: \$ _____
Third Year After Completion: \$ _____

(D) Jobs Retained

Estimated number of retained jobs after project completion:

First Year	Second Year	Third Year	
			Full Time Jobs
			Part Time Jobs
			Seasonal Jobs
			Total

Estimated annual payroll of such retained jobs:

First Year After Completion: \$ _____
Second Year After Completion: \$ _____
Third Year After Completion: \$ _____

4.3. Other Benefits

(A) Increase in Sales Tax Revenue

1. If the project will result in the Company manufacturing or selling a new product, estimate the amount of the annual sales taxes that will be generated on the annual retail sales of the new product: \$ _____
2. If the project will result in the increased production of sales of an existing product, estimate the amount of annual sales taxes that will be generated on the annual retail sales of the increased production: \$ _____

4 Real Property Taxes

Estimate the amount of the annual real property taxes that will be payable on the project (at the end of the Payment in Lieu of Tax Agreement, if any): \$ _____

4.4. (A) Will the completion of the Project, which is the subject of this application, result in the removal of a commercial, industrial or manufacturing plant or facility of the Company (or any Sublessee) from one area of the State of New York to another area of the State of New York?

___ Yes ___ No

6.1. Is there a demonstrable need for the services to be provided by the Project? ___ Yes ___ No. If yes, please describe:

6.2. Is there an extraordinary need for the services to be provided by the Project?

___ Yes ___ No. If yes, please describe.

6.3. What impact will the Project have on existing employment in the County of Franklin?

6.4. Will the project result in a substantial net addition of jobs in the County of Franklin?

___ Yes ___ No. If yes, please describe:

6.5. Does the Project have an unusual relationship to retaining or adding ancillary facilities in the County of Franklin? ___ Yes ___ No. If yes, please describe:

6.6. Will the Project have an adverse effect on facilities of a similar nature located in the County of Franklin? ___ Yes ___ No. If yes, please describe:

6.7. Will the Project give the applicant or the other users of the Project a competitive advantage over users of other facilities of a similar nature located in the County of Franklin?

Yes No. If yes, please describe:

6.8. Is the availability of tax-exempt civic facility or industrial development revenue bond financing required to make the Project economically feasible or to hasten the initiation of the Project?

Yes No. If yes, please describe:

6.9. Is the Project compatible with existing zoning and other local laws, ordinances, rules and regulations?
 Yes No. If no, please describe:

[END OF APPLICATION]

IN WITNESS WHEREOF, the Applicant has duly executed the Application this _____ day of _____, 20__.

(Applicant)

By: _____
Name: _____
Title: _____

APPENDIX A

NOTE: THIS APPLICATION WILL NOT BE ACCEPTED BY THE CORPORATION UNLESS THE FOLLOWING HOLD HARMLESS AGREEMENT IS SIGNED BY THE APPLICANT.

HOLD HARMLESS AGREEMENT

Applicant hereby releases the Franklin County Civic Development Corporation and the members, officers, servants, agents and employees thereof, (hereinafter collectively referred to as the "Corporation") from, agrees that the Corporation shall not be liable for and agrees to indemnify, and hold the Corporation harmless from and against any and all liability arising from or expense incurred by the Corporation with respect to (i) the Corporation's examination and processing of, and action pursuant to or upon, the attached Application, regardless of whether or not the application or the Project described therein or the issue of bonds requested therein are favorably acted upon by the Corporation, and (ii) the issue of bonds requested therein or the Project described therein, including without limiting the generality of the foregoing, all causes of action and attorney's fees and any other expense incurred in defending any suits or actions which may arise as a result of any of the foregoing. If, for any reason, the Applicant fails to conclude or consummate necessary negotiations, or fails, within a reasonable or specified period of time, to take reasonable, proper or requested action, or withdraws, abandons, cancels or neglects the Application, or if the Corporation or the Applicant are unable to find buyers willing to purchase the total bond issue requested, then, and in that event, upon presentation of an invoice itemizing the same, Applicant shall pay to the Corporation, its agents or assigns, all actual costs incurred by the Corporation in the processing of the Application, including attorney's fees, if any.

APPLICANT _____

By: _____

Name: _____

Title: _____

Sworn to before me this _____
day of _____, 20__.

Notary Public

APPENDIX B

SHORT ENVIRONMENTAL ASSESSMENT FORM

INSTRUCTIONS:

(a) In order to answer the questions in this short BAR it is assumed that the preparer will use currently available information concerning the project and the likely impacts of the action. It is not expected that additional studies, research or other investigations will be undertaken.

(b) If any question has been answered Yes the project may be significant and a completed Environmental Assessment Form is necessary.

(c) If all questions have been answered No it is likely that this project is not significant.

(d) Environmental Assessment

1. Will project result in a large physical change to the project site or physically alter more than 10 acres of land?..... Yes No
2. Will there be a major change to any unique or unusual land form found on the site?..... Yes No
3. Will project alter or have a large effect on an existing body of water?..... Yes No
4. Will project have a potentially large impact on groundwater quality?..... Yes No
5. Will project significantly effect drainage flow on adjacent sites?..... Yes No
6. Will project affect any threatened or endangered plant or animal species?... Yes No
7. Will project result in a major adverse effect on air quality?..... Yes No
8. Will project have a major effect on visual character of the community or scenic views or vistas known to be important to the community?..... Yes No
9. Will project adversely impact any site or structure of historic, pre-historic, or paleontological importance or any site designated as a critical environmental area by a local agency?..... Yes No
10. Will project have a major effect on existing or future recreational opportunities?..... Yes No
11. Will project result in major traffic problems or cause a major effect to existing transportation?..... Yes No
12. Will project regularly cause objectionable odors, noise, glare, vibration, or electrical disturbance as a result of the project's operation?..... Yes No
13. Will project have any impact on public health or safety?..... Yes N
14. Will project affect the existing community by directly causing a growth in permanent population of more than 5 percent over a one-year period or have a major negative effect on the character of the community or neighborhood?..... Yes No
15. Is there public controversy concerning the project?..... Yes No

PREPARER'S SIGNATURE: _____ TITLE: _____
REPRESENTING: _____ DATE: _____