

**City of Utica  
Industrial Development Agency  
Application**

The information required by this form is necessary to determine the eligibility of your project for IDA benefits. Please answer all questions; insert "NONE", or "NOT APPLICABLE", where necessary. If an estimate is given, put "EST." after the figure. Attach additional sheets if more space is needed for a response than is provided. Return three copies of this application to the City of Utica Industrial Development Agency.

All information contained in this form will be treated confidentially, to the extent permitted by law.

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

PART I

Applicant

Applicant's legal Name: Lafayette Hotel Associates, LLC

Principal Address: 11751 East Corning Road  
Corning, NY 14830

Telephone Number: 607-962-9868

Federal Identification Number: 

Company IRS Filing Office Location: New York

Company Officer completing this application:

Name: Minesh Patel

Title: CFO, Visions Hotels LLC

1. A. **Is the applicant a:**

( ) Corporation: If YES, Public ( ) Private ( )  
If a PUBLIC Corporation, on which exchange is it listed?

- 
- ( ) Sole Proprietorship  
( ) Partnership  
( ) Subchapter S  
( ) DISC  
(X) Other (specify) Limited Liability Company

B. State of incorporation, if applicable: New York

2. **Stockholders, Directors, Officers, Partners or Members**

A. Provide the following information in regard to principal stockholders or parties:

<u>Name</u>	<u>Home Address</u>	<u>Social Security No.</u>	<u>Percentage of Ownership</u>
See attached			

**NAME**

**PERCENTAGE**



B. Provide the following information in regard to officers and directors:

<u>Company Officer</u>	<u>Name and Home Address</u>	<u>Social Security Number</u>	<u>Other Principal Business Affiliation</u>
Arun Patel	[REDACTED]	[REDACTED]	Visions Hotels, LLC
Hemant Patel	[REDACTED]	[REDACTED]	Visions Hotels, LLC

C. Is the applicant or any of the people listed in 2(A) above related, directly or indirectly, to any other entity by more than 50% common ownership? If also, indicate name of such entity and the relationship.

The people listed in 2(A) have common ownership in a number of entities in varying percentages. A complete list of the entities that some or all of these individuals may hold an interest in is attached as Exhibit A.

D. Is the applicant affiliated with any other entity, directly or indirectly, other than as indicated in response to paragraph C above? If YES, please indicate name and relationship of such other entity and the address thereof:

No \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

3. **Applicant's accountant**

Name and Title: Anthony Sandonato

Name of Firm: Mengel, Metzger, Barr & Co.

Address: 100 Chestnut Street Suite 1200

Rochester, NY 14604

Telephone Number: 585-423-1860

4. **Applicant's attorney**

Name and Title: Robert L. Halpin

Name of Firm: The Halpin Firm

Address: 4588 Route 224

Montour Falls, NY 14865

Telephone: 607-594-3786

5. **References** (Individuals and institutions in this section may be contacted)

A. Banking/Financial Institution:

<u>Name of Institution</u>	<u>Address and Phone Number</u>	<u>Account Officer/ Contact Person</u>
Berkshire Bank	6611 Manlius Center Rd East Syracuse, NY 13057	Kevin M. Gaglione 315-728-5563

B. Business suppliers (list three largest accounts)

<u>Name of Supplier</u>	<u>Address and Phone Number</u>	<u>Account Officer/ Contact Person</u>	<u>Terms of Sale</u>	<u>Annual Dollar % Volume</u>
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**Not Applicable - Startup Company**

C. Major customers (list three largest and show percentage of gross business obtained from each):

<u>Name of Customer</u>	<u>Address and Phone Number</u>	<u>Account Officer/ Contact Person</u>	<u>Terms of Sale</u>	<u>Annual Dollar % Volume</u>
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**Not Applicable - Startup Company**

6. **Business Description**

A. Describe nature of business and principal products and/or services:

Hospitality Facility servicing banquet, meeting, food & beverages & Hotel Rooms for Guests.

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B. Describe the geographical market(s) served:

New York State and Surrounding States Market also Servicing Guests from Canada.

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7. **Present location(s)**

A. List present location(s):

None

B. For what purpose is each of these used:

1.

2.

C. For each of your present locations which are RENTED, provide the following information:

<u>Name of Landlord</u>	<u>Landlord's Address</u>	<u>Landlord's Telephone Number</u>
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1. Not Applicable

2.

3.

<u>Amount of Space</u>	<u>Annual Rental</u>	<u>Lease Termination Date</u>
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2.

3.

D. For each of your present locations which you OWN, provide the following information for those which are mortgaged:

<u>Annual Mortgage Payment</u>	<u>Termination Date</u>
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E. List which of your present locations, if any, will be vacated if IDA approval for your project is given:

NONE

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If any of these locations will be sublet or sold, provide information concerning your ability to do so:

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**PART II**

**Reasons for Project**

Please explain in detail why you want to undertake this project:

The Hotel Utica is an historic property with potential to be redeveloped to serve mid- to upper-scale lodging market, rounding out the lodging market in the City of Utica, and provides the opportunity for banquet space. The project will complement the redevelopment of the City's harbor area.

Why are you requesting the involvement of the IDA in your project?

Fixing real property tax costs through PILOT is an essential component of the project. Sales tax and mortgage tax abatements are necessary for feasible project budget. Without IDA involvement the project is not possible.

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How will the applicant's plans be affected if IDA approval is not granted?

We will be unable to move forward without the approval from IDA.

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A. Type of Project

Check category or categories best describing your project:

- ( ) Manufacturing
- ( ) Industrial Assembly or Service
- ( ) Research and Development
- ( ) Warehousing
- ( ) Commercial or Recreational
- ( ) Pollution Control (specify) \_\_\_\_\_
- (X) Other (specify) Hospitality & Banquet

B. Description of Proposed Project

Check all appropriate categories which apply to the proposed project:

- |  |        |       |
|--|--------|-------|
| 1. Acquisition of land                           | YES(X) | NO( ) |
| 2. Acquisition of existing building              | YES(X) | NO( ) |
| 3. Renovations to existing building              | YES(X) | NO( ) |
| 4. Construction of addition to existing building | YES( ) | NO(X) |
| 5. Demolition                                    | YES( ) | NO(X) |
| 6. Construction of a new building                | YES( ) | NO(X) |
| 7. Acquisition of machinery and/or equipment     | YES(X) | NO( ) |
| 8. Installation of machinery and/or equipment    | YES(X) | NO( ) |
| 9. Other (specify)                               | YES(X) | NO( ) |

Furniture, fixtures and equipment

C. What is the zoning classification of the proposed site?

Commercial

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

Lodging & Banquet

<u>Location(s)</u>	<u>Street Address</u>	<u>Number of Floors</u>	<u>Square Footage per Floor</u>
Utica NY	102 Lafayette St	13	101 x 161 Acres

F. Is the site in an Empire Zone? (X) Yes ( ) No

Is the business Empire Zone certified at this location: ( ) Yes (X) No

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

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- G. 1. Please describe in detail the facility to be acquired, constructed or renovated (including number of buildings and other existing structures or facilities) and attach plot plans, photos or renderings, if available.

Red Brick Building in Downtown Utica. Hotel has 13 Floors with 112 Room with 12 Suites. Hotel also has Banquet room which can accommodate up to 250 people.

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2. If construction or renovation work on this project has already begun, please describe the work in detail.

NONE

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3. What is the estimated useful life of the:

a. Facility: 50 Years

b. Equipment: 5 Years

- H. List the principal items or categories of equipment to be acquired as part of the project.

HVAC, elevators, building electrical, plumbing and other components. Also guestroom and common area HVAC, furniture and fixtures, computers, etc.

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- I. If any of this equipment has already been purchased or ordered, please attach all invoices and purchase orders and list amounts paid and dates of expected delivery as well as a brief description:

NA

None

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- J. If the construction or operation of the proposed project will require any local ordinance or variance to be obtained or requires a permit or prior approval of any state or federal agency or body (other than normal occupancy/construction permits), please specify:

None

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- K. Will the project have a significant effect on the environment, YES ( ) NO (X). If so, please describe the effect. **Important: please attach Environmental Assessment Form to this Application**

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- L. Will a related real estate holding company, partnership or other entity be involved in the ownership structure of the Transaction? YES( ) NO(X) If YES, please explain:

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M. 1. With regard to the present owner of the project site, please give:

Name: Hotel Utica LLC

Address: 102 Lafayette Street, Utica, NY 13502

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Telephone Number: Unknown

2. If the applicant already owns the project site, indicate:

a. date of purchase: \_\_\_\_\_

b. purchase price: \_\_\_\_\_

3. If the project site is mortgaged, please indicate:

a. balance of mortgage: \_\_\_\_\_

b. holder of mortgage: \_\_\_\_\_

N. Is there a relationship, legally, by virtue of common control, or through related persons, directly or indirectly, between the applicant and the present owner of the project site? YES ( ) NO (X) If YES, please explain:

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O. Is the company currently a tenant in the building to be occupied?

YES ( ) NO (X)

P. Are you planning to use/develop the entire proposed facility?

YES (X) NO ( )

If NO, give the following information with respect to present tenants:

1. Present Tenant Information

a.      Name of Business      Floors Occupied      Square Feet Occupied      Nature of Tenant's Business

b.      Which of the above tenants will be vacating upon your initial use of the facility? How many jobs will be affected?

Name of Firm                      Jobs                      Square Footage Now Occupied

c.      For those tenants who will remain after your initial occupancy of the site, provide the following transaction:

Name of Tenant                      Term of Lease                      Renewal Options                      Square Footage Now Occupied

Are any of the above tenants related to the owner of the facility?    YES ( )    NO ( )

d.      If the applicant will be occupying the premises of any of the tenants listed in (c) when their lease expires, please list.

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e.      Please provide copies of all present leases at the proposed project site.

- f. Do you propose to lease part of the project facility to firms not presently tenants?  
YES (X) NO ( )

If YES, provide details of your proposals:

The restaurant and banquet space will be leased to an experienced restaurant operator.

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- g. Will financing by the Agency for the Project result in the removal or abandonment of a plant or other facility of the applicant or any related entity presently located in another area in the State of New York? YES ( ) NO (X)

If the answer is yes, please explain briefly the reasons for the move.

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Is the proposed project reasonably necessary to discourage the project occupant from removing such other plant or facility to a location outside the State of New York?  
YES ( ) NO (X)

Is the proposed project reasonably necessary to preserve the competitive position of the project occupant in its respective industry? YES (X) NO ( )

- h. If any of the parties who will be tenants in this project are related to or affiliated with the applicant, please identify them:

None \_\_\_\_\_

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1. Please attach any written agreements (e.g., options, purchase contracts, invoices, etc.) concerning the acquisition of the real property or equipment for this proposed facility.



2. Employment \*

- a. List your present employment in Oneida County, if any, and an estimate of the employment at the proposed facility at the end of one and two years.

Employment	Present	At End of First Year	At End of Second Year
Full Time	0	8	9
Part Time	0	10	11
Seasonal	0	0	0
Total	0	18	20

Estimate percent that total part time or seasonal working time bears to total annual full working time. 60 %

- b. Characterize the labor force to be associated with this project location according to the following categories:

Category	Present	At End of First Year	At End of Second Year
Officers	0	1 General Manager	1 General Manager
Sales/Supervisory	0	1	1
Clerical	0	2	2
Plant/Production	0	1.5	1.5
Other (specify)	0	12.5	14.5

- c. Estimate the Annual Payroll for the employees associated with the project location.

At present: \$ 0

At end of one year: \$ 300,000.00

At end of two years: \$ 320,000.00

All figures are projections based upon a set of assumptions as outlined in the cover letter submitted herewith.

**\* Company will be required to submit Annual Job Monitoring Reports for a minimum of five (5) years for any commercial project and ten (10) years for any industrial/manufacturing project (attached). Annual Job Monitoring Reports will be compared to employment counts as stated above and companies whose reported counts fall below those levels above will be subject to the Agency's Recapture Provisions Policy.**

3. Estimated Project Cost

Listed the costs necessary for the construction, acquisition or renovation of the project (this should NOT include working capital needs, moving expenses, work in progress, stock in trade, applicant's debt repayment, real estate broker fees or your legal fees):

Acquisition of Land	\$200,000
Acquisition of Building(s)	\$1,800,000
Renovation Costs	\$4,000,000
New Construction of Buildings	\$ _____
Machinery and Equipment (other than furniture costs)	\$848,000
Fixtures	\$3,764,000
Installation Costs	\$Included
Fees (other than your own counsel and brokerage fees)	\$125,000
Architectural/Engineering Fees	\$200,000
Interest on Interim Financings	\$420,000
Other (specify)	
Furniture	\$435,000
Franchise Fee	\$125,000
Insurance	\$30,000
Developers Fee	\$90,000
Misc. Soft Costs	\$75,000
Contingency	\$850,000
<b>Total Project Cost</b>	<b>\$12,962,000*</b>

\*Note all figures are projections based upon the set of assumptions as outlined in the cover letters submitted herewith.

What is the amount of funding requested for financing through the agency?

NA

4. Real Estate Taxes

List separately the proposed project's Real Estate Taxes and/or Assessed Value as it applies to land and building:  
To be provided

Project's	Real Estate Taxes	Assessed Value
Land(s)	\$	\$
Building(s)	\$	\$
Total	\$	\$

5. Project Schedule

Indicate the estimated dates for the following:

- a. Construction commencement: Immediate health and safety issues to be addressed following acquisition. Renovation and re-branding work to be commenced by the end of the second year following acquisition.
- b. Construction completion: By the end of year three following acquisition.
- c. Project financing: List the dates and in what amounts the estimated funds will be required:

\$3.87 million – February 2016

\$9.1 million – February 2018

- d. Indicate the name of the incorporated municipality in which the facility will be located and the applicant's (or any related entity's) estimated capital expenditures in such municipality during the past three years:

NA \_\_\_\_\_

- e. What do you expect the applicant's (or any related entity's) capital expenditures to be in the above municipality during the next three years (including this project):

\$8 million

- f. If the applicant or any related entity has previously secured the benefit of tax exempt financing in the City of Utica, whether through IDA, the New York Job Development Authority or any other entity, please explain (indicate date, location of financed facility, and outstanding balance):

NA \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- g. Has the applicant or any related entity received the benefit of tax exempt financing anywhere within the United States within the past 90 days or is the applicant or any related entity contemplating the receipt of such financing assistance within the next 90 days? YES ( ) NO (X) if yes, please explain.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

6. Project Financing Efforts

IT IS THE APPLICANT'S RESPONSIBILITY TO SECURE A PURCHASER FOR IDA BONDS ISSUED IN CONJUNCTION WITH THIS PROJECT. Below are a series of questions relating to your efforts to secure financing for your project if IDA approval is granted.

- A. Has the applicant contacted any bank, financial/lending institution or private investor in regard to the financing for this project? YES (X) NO ( ) If YES, please give details:

Applicant has contacted Bank of Utica for acquisition financing.

\_\_\_\_\_

B. Have you obtained a financial commitment for this project? YES ( ) NO (X)

1. If Yes, please briefly describe this commitment and attach related correspondence:

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2. If No, please explain how you will be able to finance this project:

Acquisition and any subsequent redevelopment will be contingent upon acceptable bank financing.

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C. Are there any other governmental agencies that you have contacted concerning financial assistance in regard to your proposed project? YES ( ) NO (X) If YES, please explain:

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D. 1. Will the applicant's obligations be guaranteed, and if so, by whom?

No \_\_\_\_\_

2. Is the guarantor related to or affiliated with the applicant?

E. Financial Information (Attach the Following).

1. Financial Statements for the last three fiscal years. – NA
2. Pro forma Balance Sheet as at start of operations at project site. - NA
3. Projected Profit and Loss Statements for first two years of operation at project site.
4. Projected "Cash Flow" Statement, by quarters, for first year of operation at project site.

Certification

The undersigned requests that this application be submitted for review to the City of Utica Industrial Development Agency's Board of Directors. It is hereby certified by the undersigned that the information contained in this application and the attachments thereto is, to the best of my knowledge and belief accurate and it is truly descriptive of the project which is intended as the security for the financing. Intentional misstatements or misleading information contained herein could be cause for disapproval or could lead to voiding IDA benefits. The undersigned attests to and fully understands the recapture provisions provided for in the Agency's Uniform Tax Exemption Policy.

APPROVAL OF THE APPLICATION CAN BE GRANTED SOLELY BY THIS AGENCY'S BOARD OF DIRECTORS. IT IS ACKNOWLEDGED THAT APPLICANT SHALL BE RESPONSIBLE FOR ALL COSTS INCURRED BY THE AGENCY AND ITS COUNSELS IN CONNECTION WITH THE ATTENDANT NEGOTIATIONS AND ISSUANCE OF BONDS WHETHER OR NOT CARRIED TO A SUCCESSFUL CONCLUSION.

Signature: 

Print or Type Name: Minesh Patel

Title: CFO

Date: 1/06/2016

**Return the original application and six copies with a check in the amount of \$250.00 made payable to: Utica Industrial Development Agency, 1 Kennedy Plaza, Utica, New York, Attn.: Jack N. Spaeth, Executive Director.**