

**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: [DePaul Utica, LP.](#)

Principal Address: [1931 Buffalo Road
Rochester, NY 14624](#)

Project Address: [1914 Dwyer Avenue
Utica, NY 13501](#)

Telephone Number(s): [585-426-0000](#)

Federal Identification Number: [82-2914423](#)

Company IRS Filing Office Location: [Cincinnati, OH 45999-0023](#)

Company Officer completing this application:

Name: [James Whalen](#)

Title: [Chief Financial Officer](#)

Phone: [585-506-2081](#)

Email: jwhalen@depaul.org

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

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

N/A

- () Sole Proprietorship
- (X) Partnership
- () Subchapter S
- () DISC
- () Other (specify) _____

B. State of incorporation, if applicable: _____

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>
DePaul Utica Development, Inc.	1931 Buffalo Rd Rochester, NY 14624	Not Applicable	99.99%

Investor member
entity TBD

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>
President	Mark Fuller 1931 Buffalo Rd Rochester, NY 14624		See attached Exhibit "A" ↓
Treasurer /CFO	Jim Whalen 1931 Buffalo Rd Rochester, NY 14624		

C. Is the applicant or any of the persons 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.

See attached 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: [See attached Exhibit "A"](#).

3. **Applicant's accountant**

Name and Title: [Tim Flaherty, Partner](#)

Name of Firm: [Flaherty Salmin CPAs](#)

Address: [2300 Buffalo Road
Rochester, NY 14624](#)

Telephone Number: [585-279-0120](#) Email: tflaherty@fs-cpa.com

4. **Applicant's attorney**

Name and Title: [Geoffrey Cannon, Esq., Partner](#)

Name of Firm: [Cannon Heyman & Weiss, LLP](#)

Address: [54 State Street, 5th Floor
Albany, NY 12207](#)

Telephone: [518-465-1500x130](#) Email: gcannon@chwattys.com

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>
Key Bank	1700 Bausch & Lomb Place Rochester, NY 14604 585-238-4159	Phillip Muscato
Citizens	833 Broadway, Albany 518-426-6440	Michael Danforth
M&T	255 East Avenue Rochester, NY 14604 585-258-8355	Daniel Burns

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>
Not Applicable				

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>
Not Applicable				

6. **Business Description**

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

DePaul proposes to develop a single three-story building with 60 units. Of these, 30 units (50%) will be set aside for SMI adults meeting the ESSHI definition of homeless. The building will offer 54 one-bedroom apartments at 700 square feet and 6 two-bedroom apartments at 900 square feet. The total residential unit area is approximately 45,180 square feet. The 30 supported housing units have been awarded under the Empire State Supported Housing Initiative (ESSHI).

The proposed project features an elevator serving all three floors. The project will include 15 units (25%) that are fully accessible and adapted, move-in ready for persons with a mobility impairment. All of the remaining units will be adaptable. The project will also include three units (5%) that are fully accessible and adapted, move-in ready for persons with a hearing or vision impairment. Every unit in the building will be visitable.

DePaul staff will collaborate with residents and collaterals to refer residents to any necessary or desired clinical, medical, vocational, educational, social supports and/or substance abuse services. DePaul is partnering with local providers of mental health, physical health and social supports. DePaul believes that affordable housing is most successful when providers of services work in partnership to promote individuals' independent living skills and assist tenants as they take on increased management of their day-to-day lives. DePaul will work in collaboration with local community providers to help persons live independently and with dignity in the community.

DePaul will be working closely with primary care providers in the area. DePaul staff will assist tenants to attend medical appointments as needed, as well as important follow up care. Many persons living in affordable housing have chronic medical conditions that require monitoring and follow up appointments. Often, these appointments are missed due to transportation issues, child care, and lack of follow through or an aversion to the medical care model. DePaul will work to assist tenants in understanding their medical issues, and in making and attending routine and follow up care appointments as needed to maintain

their health and wellness in the community. DePaul will work with tenants and their individual care providers to break down barriers to health and build skills in the area of self-wellness.

DePaul will offer transportation to appointments as needed and work with tenants on creating a method of getting to appointments independently if possible. With the assistance of DePaul Housing Specialists, DePaul plans on bridging this gap in community no-show rates to medical and mental health appointments.

- B. Describe the geographical market(s) served:

DePaul intends to serve adult persons from the Oneida County area.

7. **Present location(s) of business operations**

- A. List present location(s):
See attached Exhibit "A".

- B. For what purpose is each of these used?
Low Income and Supported Housing

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

Name of Landlord Landlord's Address Landlord's Telephone Number

Not Applicable

Amount of Space Annual Rental Lease Termination Date

Not Applicable

- D. For each of your present locations which you OWN, provide the following information:

Location Annual Mortgage Payment Termination Date
See DePaul Properties 2017 audited financial statements.

E. List which of your present locations, if any, will be vacated if IDA approval for your project is given:

None

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

Not Applicable

PART II

Reasons for Project

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

Utica is poverty-stricken with 43% of Utica living in poverty. There is a serious lack of affordable housing in Utica. Utica has 54% of renters “overburdened” (paying more than 30% of their income toward rent).

In downtown Utica there has been a recent renaissance. Restaurants and bars, coffee roasters, popular public events and concerts as well as a successful minor league hockey team have been drawing people downtown for recreation and to live. Recently, older affordable housing has been torn down and replaced with market-rate housing, exacerbating an already existing need for affordable housing.

Oneida County also has a lack in supportive housing. With its very high numbers of persons in poverty that are disabled, service-enriched housing that is also adaptive for limited mobility are in high demand and often with long waiting lists.

It has long been recognized that people have a difficult time making progress on goals when they don't have a permanent place of residence. Supportive housing is an innovative and proven solution to some of the most difficult community problems. It combines affordable housing with services that help people who face the most complex challenges to live with stability, autonomy, and dignity. The housing provided by DePaul through the Supportive Housing Initiative will be of high quality, safe, and secure. Supportive housing improves housing stability, employment, mental and physical health and reduces active substance abuse. People in supportive housing live more stable and productive lives.

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

The IDA's financial assistance is necessary to enter into a PILOT agreement, which allows more resources to go towards the mission of the project to provide safe, affordable housing and support services to those in need.

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

The project would not be able to support property taxes at the full assessed value. Without the benefits of a PILOT agreement it would be difficult to make this Project's budget balance and we would not be able to move forward with the Project.

Please confirm by checking the box, below, if there is likelihood that the Project would not be undertaken but for the Financial Assistance provided by the Agency?

Yes or No

If the Project could be undertaken without Financial Assistance provided by the Agency, then provide a statement in the space provided below indicating why the Project should be undertaken by the Agency:

Not Applicable

Identify the assistance being requested of the Agency (select all that apply):

1. Exemption from Sales Tax Yes or No
2. Exemption from Mortgage Tax Yes or No
3. Exemption from Real Property Tax Yes or No
4. Tax Exempt Financing * Yes or No
 * (typically for not-for-profits & small qualified manufacturers)

A. **Type of Project**

Check category or categories best describing your project (O - Owner) and all end-users (T – Tenant(s)) and the square footage of each:

	Manufacturing	sf
	Industrial (Assembly or Service)	sf
	Research and Development	sf
	Warehousing	sf
	Commercial	sf
	Pollution Control	sf
X	Housing	Approximately 63,000 sf
	Back Office	sf
	Facility for Aging	sf
	Multi-Tenant	sf
	Retail	sf
	Recreational	sf
	Other (specify)	sf
	Total	Approximately 63,000 sf

B. Description of Proposed Project

Check all appropriate categories which apply to the proposed project:

- | | | |
|---|--|---|
| 1. Acquisition of land | YES(<input checked="" type="checkbox"/>) | NO() |
| 2. Acquisition of existing building | YES(<input checked="" type="checkbox"/>) | NO() |
| 3. Renovations to existing building | YES() | NO(<input checked="" type="checkbox"/>) |
| 4. Construction of addition to existing building | YES() | NO(<input checked="" type="checkbox"/>) |
| 5. Demolition | YES(<input checked="" type="checkbox"/>) | NO() |
| 6. Construction of a new building | YES(<input checked="" type="checkbox"/>) | NO() |
| 7. Acquisition of machinery and/or equipment | YES() | NO(<input checked="" type="checkbox"/>) |
| 8. Installation of machinery and/or equipment | YES() | NO(<input checked="" type="checkbox"/>) |
| 9. Other (specify): <u>furniture & fixtures, televisions and generator(s)</u> | YES(<input checked="" type="checkbox"/>) | NO() |

C. What is the zoning classification of the proposed site?
I-1, Light Industrial (with special-use permit for residential use).

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

E. <u>Location(s)</u>	<u>Street Address</u>	<u>Number of Floors</u>	<u>Sq. Ft. per Floor</u>
1. 319.15-1-8	1941 Dwyer Avenue	1	40,000
2. 319.15-1-4	309 Gilbert Street	N/A	vacant land
3. 319.15-1-6./1	Gilbert Street	N/A	vacant land
4. 31.9.15-1-6./2	Gilbert Street	N/A	vacant land

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

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

Attach a copy of the last Business Annual Report filed.

Is the proposed project located within the boundary of a Central New York Regional Transportation (Centro) District? () Yes () No

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.

The property currently consists of four separate tax parcels (Section: 319.15; Block: 1; Lots: 8, 4, 6./1 and 6./2) which are contiguous and have the same owner. Three of the parcels (Lots 4, 6./1 and 6./2) are comprised of vacant land and run along Gilbert Street for a combined 2.62± acres and the fourth parcel (Lot 8) at 1914 Dwyer Avenue is improved with a 40,000 sq. ft. one-story commercial building on 3.1± acres. The building has historically been occupied by multiple tenants for storage, light manufacturing or back office

space. The building will be demolished and a new 60-unit affordable housing building will be constructed. The four (4) lots are in the process of being consolidated into one tax parcel. We have filed the proposed map and we anticipate the assessor issuing one lot number in August 2018 during their annual review.

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

Construction has not yet begun.

3. What is the estimated useful life of the:

- a. Facility: 40 years
b. Equipment: 10 years

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

Furniture & Fixtures, Televisions, Generator

- 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:

No equipment has been purchased yet.

- 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:

The city of Utica issued a Special Use Permit for multifamily residential on a parcel zoned for light industrial and an area variance was issued for reduction of parking spaces from the required 90 down to 60 (although the remaining 30 will be "land-banked" if needed later).

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

Phase I Environmental Report attached as Exhibit "B" and approved Full EAF negative declaration attached as Exhibit "C".

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

This will be a LIHTC project with a partnership formed.

Applicant is a limited partnership. The current partners of the applicant are: DePaul Utica Development, Inc. as the General Partner who will initially own a 99.99% partnership interest and DePaul Properties, Inc. as the Initial Limited Partner, with a .01% partnership interest. At the construction finance closing DePaul Properties, Inc., the Initial Limited Partner will withdraw and Investor Limited Partner will be admitted as a limited partner of Applicant, holding a 99.99% interest in Applicant and General Partner will hold a .01% interest in Applicant.

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

Name: Estate of Evelyn Jones, Shelley Lofberg, Executrix

Address: 4 The Hills Drive, Utica, NY 13501

Telephone Number: 315-534-1788

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

a. date of purchase: Not Applicable

b. purchase price: Not Applicable

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

a. balance of mortgage: None

b. holder of mortgage: None

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:

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.

<u>Name of Business</u>	<u>Floors Occupied</u>	<u>Square Feet Occupied</u>	<u>Nature of Tenant's Business</u>
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Not Applicable

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

<u>Name of Firm</u>	<u>Jobs</u>	<u>Square Footage Now Occupied</u>
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Not Applicable

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

<u>Name of Tenant</u>	<u>Term of Lease</u>	<u>Renewal Options</u>	<u>Square Footage Now Occupied</u>
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Not Applicable

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

Not Applicable

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

Not Applicable

e. Please provide copies of all present lease(s) at the proposed project site.

Not Applicable

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

If YES, provide details of your proposals:

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.

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 () NO (X)

h. If any of the parties who will be tenants in this project are related to or affiliated with the applicant, please identify them: No

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. Purchase contract will be provided when executed.

2. Employment *

- a. List your present employment in the City of Utica, if any, and an estimate of the employment at the proposed facility at the end of two years. NOTE: New York State considers Full Time employment as 35 hours or more. In order to calculate Part Time into Full Time Equivalents (FTE), divide the total typical and consistent number of hours worked per week by 35.

Employment	Current # of applicant's jobs at/or to be located at proposed project location	Number of FTE jobs to be RETAINED	Number of FTE jobs to be CREATED two years after project completion	Estimate number of residents in Labor Market Area that will fill projected jobs two years after project completion
Full Time (FTE)	None	Not Applicable	6	6
Total			6	6

The Labor Market Area consists of the following counties: Oneida, Lewis, Herkimer, Otsego, Madison and Oswego

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

Category	Current	Avg Salary or Salary Range	Avg Fringe Benefits or Range
Officers			
Sales/Supervisory	Property Manager	45,000	11,250
Clerical	Front Desk Staff/Admin Support	35,000 – 40,000	8,750 – 10,000
Plant/Production	Maintenance/Janitor	30,000 - 40,000	7,500 -10,000
Other (specify)	Security (24/7)	30,000 – 35,000	7,500 – 8,750
Other (specify)	Supported Housing Case Managers (4)	40,000 – 45,000	10,000 – 11,250

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

Currently	End of Year One	End of Year Two
N/A	\$220,000	\$250,000

* Company/Applicant will be required to submit Annual Project Monitoring Reports (attached) along with a copy of the NYS 45ATT (four quarters) for a minimum of five (5) years for any commercial project and ten (10) years for any industrial/manufacturing project, or for the length of UIDA involvement in the project. Annual Project 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.

Sources of Funds for Project Costs:

% of Total project costs

Construction Sources	Construction Sources
Tax Exempt Bonds - HFA	9,800,000
L.P. Equity - Federal Housing	917,068
HHAP	4,220,100
HCR SHOP Subsidy	2,273,580
Deferred Developer Fee	2,095,805

Total Sources of Funds:	19,306,553
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Permanent Sources:	Perm Total Sources
First Mortgage/Permanent Bonds	450,000
L.P. Equity - Federal Housing	6,113,787
OMH Program Grant (PDG)	165,000
HCR SHOP - Subsidy	4,425,000
HCR SHOP – Subsidy, Non Supported	2,850,000
HHAP	4,689,000
NYSERDA - Sponsor Loan	56,000
Sponsor Loan - 50% Operating Reserve	101,098
Deferred Developer Fee	456,668
	19,306,553

Have any of the above costs been paid or incurred as of the date of this Application?

Yes or No. If Yes, describe particulars:

DePaul has incurred pre-development costs on the project of approximately \$602,000. This includes architect, legal, and environmental fees.

Mortgage Recording Tax Exemption Benefit: Amount of mortgage that would be subject to mortgage recording tax:

Mortgage Amount (include sum total of construction/permanent/bridge financing): \$ N/A

Estimated Mortgage Recording Tax Exemption Benefit (product of mortgage Amount as indicated above multiplied by 0.75%): \$ 0.00

Please Note: The New York State General Municipal Law was recently amended to reflect that industrial development agencies are not exempt from the additional mortgage recording tax of .25% that is assessed to properties that are located within a regional transportation district. Oneida County is located within the Central New York Regional Transportation District; as such, all UIDA projects will be exempt from .75% of mortgage recording tax, but must pay .25% of mortgage recording tax, which will be directed to the Transportation District.

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	\$ 113,000
Acquisition of Building(s)	\$ 400,000
New Construction of Buildings	\$ 12,432,000
Machinery and Equipment (other than furniture costs)	\$ <u>None</u>
Furniture and Fixtures	\$ 324,000
Installation Costs	\$ <u>None</u>
Architectural/Engineering Fees	\$ 622,000
Fees (other than your own counsel and brokerage fees)	\$ <u>None</u>
Interest on Interim Financings	\$ 589,962
Other (specify) :Legal, environmental, Consultants, application fees, Financing closing costs, developer fee	<u>\$ 4,825,591</u>
Total Project Cost	\$19,306,553

Sales and Use Tax: Gross amount of costs for goods and services that are subject to State and local Sales and Use tax - said amount to benefit from the Agency's Sales and Use Tax exemption benefit: \$ _____ Update with construction expenses that you should pay sales tax on.

Estimated State and local Sales and Use Tax Benefit (product of 8.75% multiplied by the figure, above): \$ _____

4. Real Estate Taxes

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

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

Calculate the value of the PILOT exemption anticipated for the project described:

\$ _____

5. Project Schedule

Indicate the estimated dates for the following:

- a. Construction commencement: [March 2019](#)
- b. Construction completion: [December 2020](#)
- c. Project financing: List the dates and in what amounts the estimated funds will be required:

[See construction financing above.](#)

- 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:

[City of Utica – No capital expenditures in the past 3 years.](#)

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

\$19,306,553

- 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):
[Not Applicable](#)
- 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:

[We have a letter of intent from Regions to purchase the low income housing tax credits. We have also been awarded 30 supported housing beds under the Empire State Supported Housing Initiative. We also have a term sheet from JP Morgan Chase to provide bond credit enhancement on the tax exempt bond during construction. All bonds related to this project are being issued through New York State Housing Finance Agency.](#)

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

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

[We have a letter of intent from Regions to purchase the low income housing tax credits. We also have a letter of intent from Chase to provide a letter of credit. We have also been awarded 30 supported housing beds under the Empire State Supported Housing Initiative. See attached Exhibit "D".](#)

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

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

[We have requested subsidy financing from New York State Homes and Community Renewal, under their Supported Housing Opportunity Program.](#)

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

Yes, DePaul Community Services, Inc. (DCS), and DePaul Properties, Inc. will be guarantors for the project's obligations.

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

Yes, DePaul Properties, Inc. will be the sole shareholder of the partnership. DePaul Group, Inc. is the sole corporate member of both DePaul Properties, Inc. and DePaul Community Services, Inc. DePaul Community Services will be the operating entity of the supported housing beds.

- E. Financial Information (Attach the Following).

1. Financial Statements for the last three fiscal years.
See financial statements for DePaul Properties 2014-2017 attached as Exhibit "E".
2. Pro forma Balance Sheet as at start of operations at project site. N/A
3. Projected Profit and Loss Statements for first two years of operation at project site.
See 15 year projection attached as Exhibit "F".
4. Projected "Cash Flow" Statement, by quarters, for first year of operation at project site.
See 15 year projection attached as Exhibit "F".

REPRESENTATIONS AND CERTIFICATION BY APPLICANT

The undersigned requests that this Application be submitted for review to the City of Utica Industrial Development Agency (the "Agency") and its Board of Directors.

Approval of the Application can be granted solely by this Agency's Board of Directors. The undersigned acknowledges that Applicant shall be responsible for all costs incurred by the Agency and its counsel in connection with the attendant negotiations whether or not the transaction is carried to a successful conclusion.

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

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

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

§ 862. Restrictions on funds of the agency. (1) No funds of the agency shall be used in respect of any project if the completion thereof would result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state, provided, however, that neither restriction shall apply if the agency shall determine on the basis of the application before it that the project is reasonably necessary to discourage the project occupant from removing such other plant or facility to a location outside the state or is reasonably necessary to preserve the competitive position of the project occupant in its respective industry.

9. The Applicant confirms and acknowledges that the owner, occupant, or operator receiving Financial Assistance for the proposed Project is in substantial compliance with applicable local, state and federal tax, worker protection and environmental laws, rules and regulations.
10. The Applicant confirms and acknowledges that the submission of any knowingly false or knowingly misleading information may lead to the immediate termination of any Financial Assistance and the reimbursement of an amount equal to all or part of any tax exemption claimed by reason of the Agency's involvement the Project.
11. The Applicant confirms and hereby acknowledges that as of the date of this Application, the Applicant is in substantial compliance with all provisions of Article 18-A of the New York General Municipal Law, including, but not limited to, the provision of Section 859-a and Section 862(1) of the New York General Municipal Law.
12. The Applicant and the individual executing this Application on behalf of the Applicant acknowledge that the Agency will rely on the representations made herein when acting on this Application and hereby represent that the statements made herein do not contain any untrue statement of a material fact and do not omit to state a material fact necessary to make the statements contained herein not misleading.

fact and do not omit to state a material fact necessary to make the statements contained herein not misleading.

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

Mark H. Fuller, being first duly sworn, deposes and says:

1. That I am the President (Corporate Office) of DePaul Utica, LP (Applicant) and that I am duly authorized on behalf of the Applicant to bind the Applicant.
2. That I have read the attached Application, I know the contents thereof, and that to the best of my knowledge and belief, this Application and the contents of this Application are true, accurate and complete.

Mark H Fuller
(Signature of Officer)

Subscribed and affirmed to me under penalties of perjury
this 31 day of August, 2018.

Susan B Sellers
(Notary Public)

SUSAN B. SELLERS
Notary Public, State of New York
Registration No. 6139826
Monroe County
Commission Expires 1/17/2022

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

By: _____

Name: _____

Title: _____

Date: _____

Return the original 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.