

MADISON COUNTY INDUSTRIAL DEVELOPMENT AGENCY
AMENDED
APPLICATION FOR SALE/LEASEBACK TRANSACTION

IMPORTANT NOTICE: The answers to the questions contained in this application are necessary to determine your firm's eligibility for tax exemptions and other assistance from Madison County Industrial Development Agency. These answers will also be used in the preparation of papers in 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 who is also thoroughly familiar with the proposed project. This application is subject to acceptance by the Agency.

TO: MADISON COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Madison County Center for Economic Development
3215 Seneca Turnpike
Canastota, New York 13032
Attention: Chairman

This application by applicant respectfully states:

APPLICANT: Green Empire Farms, Inc.

APPLICANT'S STREET ADDRESS: c/o 28700 Plymouth Road

CITY: Plymouth STATE: Michigan PHONE NO.: 734.943.0410

NAME OF PERSON(S) AUTHORIZED TO SPEAK FOR APPLICANT WITH RESPECT TO THIS APPLICATION: David Einsteadig

IF APPLICANT IS REPRESENTED BY AN ATTORNEY, COMPLETE THE FOLLOWING:

NAME OF FIRM: Barclay Damon, LLP

NAME OF ATTORNEY: Jeffrey W. Davis

ATTORNEY'S STREET ADDRESS: Barclay Damon Tower, 125 East Jefferson Street

CITY: Syracuse STATE: New York PHONE NO.: 315.425.2823

NOTE: PLEASE READ THE INSTRUCTIONS ON PAGE 2 BEFORE FILLING OUT THIS APPLICATION.

INSTRUCTIONS

1. The Agency will not approve any application unless, in the judgment of the Agency, said application contains sufficient information upon which to base a decision whether to approve or tentatively approve an action.
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 (the "Project").
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 two (2) copies of this application to the Agency at the address indicated on the first page of this application.
6. The Agency will not give final approval to this application until the Agency 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 Agency (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 or information, the nature of which is such that 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 pay to the Agency all actual costs incurred in connection with this application and the Project contemplated herein. The applicant will also be expected to pay all costs incurred by general counsel and special counsel to the Agency.
9. The Agency has established an application fee of Two Hundred Fifty Dollars (\$250) to cover the anticipated costs of the Agency in processing this application. A check or money order made payable to the Agency must accompany each application. THIS APPLICATION WILL NOT BE ACCEPTED BY THE AGENCY UNLESS ACCOMPANIED BY THE APPLICATION FEE.
10. The Agency has established a project fee for each project in which the Agency participates. UNLESS THE AGENCY AGREES IN WRITING TO THE CONTRARY, THIS PROJECT FEE IS REQUIRED TO BE PAID BY THE APPLICANT AT OR PRIOR TO THE GRANTING OF ANY FINANCIAL ASSISTANCE BY THE AGENCY.

FOR AGENCY USE ONLY

1. Project Number	
2. Date application Received by Agency	, 20
3. Date application referred to attorney for review	, 20
4. Date copy of application mailed to members	, 20
5. Date notice of Agency meeting on application posted	, 20
6. Date notice of Agency meeting on application mailed	, 20
7. Date of Agency meeting on application	, 20
8. Date Agency conditionally approved application	, 20
9. Date scheduled for public hearing	, 20
10. Date Environmental Assessment Form ("EAF") received	, 20
11. Date Agency completed environmental review	, 20
12. Date of final approval of application	, 20

I. INFORMATION CONCERNING THE PROPOSED OCCUPANT OF THE PROJECT (HEREINAFTER, THE "COMPANY").

A. Identity of Company:

1. Company Name: Green Empire Farms, Inc.
 Present Address: c/o 28700 Plymouth Road, Plymouth, Michigan
 Zip Code: 48150
 Employer's ID No.: 32-0518395
2. If the Company differs from the Applicant, give details of relationship: _____

3. Indicate type of business organization of Company: _____
 a. Corporation. If so, incorporated in what country?
United States; What State? New York; Date
 Incorporated November 28, 2016; Type of Corporation? for profit;
 Authorized to do business in New York?
 Yes x; No ____.
- b. Partnership. If so, indicate type of partnership _____; Number of
 general partners _____; Number of limited partners _____.
- c. Sole proprietorship.

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: Applicant is wholly owned subsidiary of Mastronardi Produce - USA, Inc. ("Mastronardi"), a Michigan corporation. Mastronardi owns, among many subsidiaries, 3 other farming subsidiaries including Brushco, Inc., PepperCo-USA, Inc., and Maroa Farms, Inc.

B. Management of Company:

1. List all owners, officers, directors and partners (complete all columns for each person):

NAME AND HOME ADDRESS	OFFICE HELD	OTHER PRINCIPAL BUSINESS
SEE ATTACHED		

2. Is the Company or management of the Company now a plaintiff or a defendant in any civil or criminal litigation? Yes x; No .

3. Has any person listed above ever been convicted of a criminal offense (other than a minor traffic violation)? Yes ; No x.

4. Has any person listed above or any concern with whom such person has been connected ever been in receivership or been adjudicated a bankrupt? Yes ; No x.

5. If the answer to any of questions 2 through 4 is yes, please, furnish details in a separate attachment.

C. Principal owners of Company:

1. Is Company publicly held? Yes ; No x. If yes, please list exchanges where stock traded:

2. If no, list all stockholders having a 5% or more interest in the Company:

NAME	ADDRESS	PERCENTAGE OF HOLDING
Mastronardi-Produce USA, Inc.		100%

D. Company's principal bank(s) of account: Bank of Montreal and Bank of America

II. DATA REGARDING PROPOSED PROJECT.

A. Description of the Project: (Please provide a brief narrative description of the Project.) SEE ATTACHED.

B. Location of the Project:

1. Street Address: West Elm Street and Court Street North
2. City of SEE ATTACHED
3. Town of _____
4. Village of _____
5. County of _____

C. Description of the Project site:

1. Approximate size (in acres or square feet) of the Project site: +/-270 acres. Is a map, survey or sketch of the Project site attached? Yes x; No ____.
2. Are there existing buildings on the Project site? Yes x; No ____.
 - a. If yes, indicate the number of buildings on the site: two (2). Also, please briefly identify each existing building and indicate the approximate size (in square feet) of each such existing building: There are two existing houses on the property. The Applicant has not yet determined whether the structures will be repaired and used as part of the Project or demolished as part of the redevelopment.
 - b. Are the existing buildings in operation? Yes x; No _____. If yes, describe present use of present buildings: The houses are rented on a month-to-month basis.
 - c. Are the existing buildings abandoned? Yes ____; No x. About to be abandoned? Yes ____; No _____. If yes, describe: _____
 - d. Attach photograph of present buildings.
3. Utilities serving the Project site:
Water-Municipal: City of Oneida
Other (describe) _____
Sewer-Municipal: City of Oneida
Other (describe) _____
Electric-Utility: National Grid
Other (describe) _____
Heat-Utility: National Grid
Other (describe) _____

4. Present legal owner of the Project site: Curtin Dairy, L.P.

a. If the Company owns the Project site, indicate date of purchase: _____, ____; purchase price: \$ _____.

b. If Company does not own the Project site, does Company have an option signed with the owner to purchase the Project site? Yes ___; No x __. If yes, indicate date option signed with the owner: _____, ____; and the date the option expires: _____, ____.

c. If the Company does not own the Project site, is there a relationship legally or by common control between the Company and the present owner of the Project site? Yes x __; No ___ __. If yes, describe; The Company and the present owner entered into a Purchase and Sale Agreement (PSA) pursuant to which, among other things, the present owner will sell and the Company will purchase the Project site. The PSA is contingent on Purchaser's satisfaction of the due diligence period and achieving certain economic incentives for the Project through Empire State Development and the Madison County IDA.

5. a. Zoning District in which the Project site is located: MI (Light Industrial) in City of Oneida; R-30 (Residential) and AG (Agricultural) in Village of Wampsville.

b. Are there any variances or special permits affecting the Project site? Yes x __; No ___ __. If yes, list below and attach copies of all such variances or special permits: At present, there are no variances or special permits affecting the Project site, but there may be a need for a variance for setbacks in both the City and the Village.

D. Description of Proposed Construction:

1. Does part of the Project consist of the acquisition or construction of a new building or buildings? Yes x __; No ___ __. If yes, indicate number and size of new buildings:
SEE ATTACHED for detailed description of Project.

2. Does part of the Project consist of additions and/or renovations to existing buildings located on the Project site? Yes ___ __; No x __. If yes, indicate the buildings to be expanded or renovated, the size of any expansions and the nature of expansion and/or renovation:

3 Describe the principal uses to be made by the Company of the building or buildings to be acquired, constructed or expanded: SEE ATTACHED for detailed description of the Project.

E. Description of the Equipment:

1. Does a part of the Project consist of the acquisition or installation of machinery, equipment or other personal property (the "Equipment")? Yes x ; No ____ . If yes, describe the Equipment: Automation equipment specifically designed for greenhouse operations, logistics and ergonomics, carts and mechanical equipment, additional hand tools and farming equipment.

2. With respect to the Equipment to be acquired, will any of the Equipment be Equipment which has previously been used? Yes ____ ; No x . If yes, please provided detail: _____

3. Describe the principal uses to be made by the Company of the Equipment to be acquired or installed: Farming

F. Project Use:

1. What are the principal products to be produced at the Project? Tomatoes and, potentially, cucumbers, peppers and strawberries, will be the principal products produced at the Project.

2. What are the principal activities to be conducted at the Project? Farming, under glass, are the principal activities to be conducted at the Project

3. Does the Project include facilities or property that are primarily used in making retail sales of goods or services to customers who personally visit such facilities? Yes ____ ; No x . If yes, please provide detail: _____

4. If the answer to question 3 is yes, what percentage of the cost of the Project 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? _____%

5. If the answer to question 3 is yes, and the answer to question 4 is more than 33.33%, indicate whether any of the following apply to the Project:

a. Will the Project be operated by a not-for-profit corporation? Yes____; No____. If yes, please explain: _____

b. 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 yes, please explain: _____

c. Would the Project occupant, but for the contemplated financial assistance from the Agency, locate the related jobs outside the State of New York? Yes____; No____. If yes, please explain: _____

d. Is the predominant purpose of the Project to make available goods or services which would not, but for the Project, be reasonable 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____. If yes, please provide detail: _____

e. Will the Project be located in one of the following: (i) the City of New York; (ii) an area designed as an economic development zone pursuant to Article 18-B of the General Municipal Law; or (iii) 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 (x) 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 (y) an unemployment rate of at least 1.25 times the statewide unemployment rate for the year to which the data relates? Yes____; No____. If yes, please explain:

6. If the answers to any of subdivisions c. through e. of question 5 is yes, 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 yes, please explain:

7. Will the completion of the Project result in the removal of a plant or facility of the Company or another proposed occupant of the Project (a "Project Occupant") from one area of the State of New York to another area of the State of New York? Yes ____; No x _____. If yes, please explain: _____

8. Will the completion of the Project result in the abandonment of one or more plants or facilities of the Company located in the State of New York? Yes ____; No x _____. If yes, please provide detail: _____

9. If the answer to either question 7 or question 8 is yes, indicate whether any of the following apply to the Project:

a. Is the Project reasonably necessary to preserve the competitive position of the Company or such Project Occupant in its industry? Yes ____; No _____. If yes, please provide detail: _____

b. Is the Project reasonably necessary to discourage the Company or such Project Occupant from removing such other plant or facility to a location outside the State of New York? Yes ____; No _____. If yes, please provide detail: _____

G. Project Status:

1. If the Project includes the acquisition of any land or buildings, have any steps been taken toward acquiring same? Yes ; No . If yes, please discuss in detail the approximate stage of such acquisition: The Company recently completed negotiations with the current owner for the acquisition of the Project site and the due diligence phase is underway.

2. If the Project includes the acquisition of any Equipment, have any steps been taken toward acquiring same? Yes ; No . If yes, please discuss in detail the approximate stage of such acquisition: _____

3. If the Project involves the construction or reconstruction of any building or other improvement, has construction work on any such building or improvement begun? Yes ; No . If yes, please discuss in detail the approximate extent of construction and the extent of completion. Indicate in your answer whether such specific steps have been completed as site clearance and preparation; completion of foundations; installation of footings; etc.: _____

4. Please indicate amount of funds expended on the Project by the Company in the past three (3) years and the purposes of such expenditures: _____
The Company has invested approximately \$200,000 in the Project to date for cost of development, design, PSA deposits, studies, etc.

III. INFORMATION CONCERNING LEASES OR SUBLEASES OF THE PROJECT. (PLEASE COMPLETE THE FOLLOWING SECTION IF THE COMPANY INTENDS TO LEASE OR SUBLEASE ANY PORTION OF THE PROJECT).

A. Does the Company intend to lease or sublease more than 10% (by area or fair market value) of the Project? Yes ; No . If yes, please complete the following for each existing or proposed tenant or subtenant:

1. Sublessee name: _____
Present Address: _____
City: _____ State: _____ Zip: _____
Employer's ID No.: _____
Sublessee is: Corporation: Partnership: Sole Proprietorship: _____

Relationship to Company: _____
Percentage of Project to be leased or subleased: _____
Use of Project intended by Sublessee: _____
Date of lease or sublease to Sublessee: _____
Term of lease or sublease to Sublessee: _____
Will any portion of the space leased by this sublessee be primarily used in making retail sales of goods or services to customers who personally visit the Project? Yes ___; No ___. If yes, please provide on a separate attachment (a) details and (b) the answers to questions II(F)(4) through (6) with respect to such sublessee.

2. Sublessee name: _____
Present Address: _____
City: _____ State: _____ Zip: _____
Employer's ID No.: _____
Sublessee is: ___ Corporation: ___ Partnership: ___ Sole Proprietorship: ___
Relationship to Company: _____
Percentage of Project to be leased or subleased: _____
Use of Project intended by Sublessee: _____
Date of lease or sublease to Sublessee: _____
Term of lease or sublease to Sublessee: _____
Will any portion of the space leased by this sublessee be primarily used in making retail sales of goods or services to customers who personally visit the Project? Yes ___; No ___. If yes, please provide on a separate attachment (a) details and (b) the answers to questions II(F)(4) through (6) with respect to such sublessee.

3. Sublessee name: _____
Present Address: _____
City: _____ State: _____ Zip: _____
Employer's ID No.: _____
Sublessee is: ___ Corporation: ___ Partnership: ___ Sole Proprietorship: ___
Relationship to Company: _____
Percentage of Project to be leased or subleased: _____
Use of Project intended by Sublessee: _____
Date of lease or sublease to Sublessee: _____
Term of lease or sublease to Sublessee: _____
Will any portion of the space leased by this sublessee be primarily used in making retail sales of goods or services to customers who personally visit the Project? Yes ___; No ___. If yes, please provide on a separate attachment (a) details and (b) the answers to questions II(F)(4) through (6) with respect to such sublessee.

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

IV. EMPLOYMENT IMPACT. Indicate below the number of people presently employed at the Project site and the number that will be employed at the Project site at end of the first and second years after the Project has been completed (Do not include construction workers). Also indicate

below the number of workers employed at the Project site representing newly created positions as opposed to positions relocated from other project sites of the applicant.

TYPE OF EMPLOYMENT					
	PROFESSIONAL OR MANAGERIAL	SKILLED	SEMI- SKILLED	UNSKILLED	TOTALS
Present Full Time	SEE ATTACHED				
Present Part Time					
Present Seasonal					
First Year Full Time					
First Year Part Time					
First Year Seasonal					
Second Year Full Time					
Second Year Part Time					
Second Year Seasonal					

V. PROJECT COST.

A. Anticipated Project Costs. State the costs reasonably necessary for the acquisition of the Project site, the construction of the proposed buildings and the acquisition and installation of any machinery and equipment necessary or convenient in connection therewith, and including any utilities, access roads or appurtenant facilities, using the following categories:

<u>Description of Cost</u>	<u>Amount</u>
Land	\$ SEE ATTACHED
Buildings	\$ _____
Machinery and equipment costs	\$ _____
Utilities, roads and appurtenant costs	\$ _____
Architects and engineering fees	\$ _____
Costs of financing	\$ _____
Construction loan fees and interest	\$ _____
Other (specify)	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
TOTAL PROJECT COSTS	\$ _____

B. Have any of the above expenditures already been made by the applicant? Yes x; No _____. If yes, indicate particulars. Minimal expenditures estimated at approximately \$200,000 for legal and project development costs have been made.

VI. FINANCIAL ASSISTANCE EXPECTED FROM THE AGENCY.

A. Tax Benefits.

1. Is the applicant requesting any real property tax exemption in connection with the Project that would not be available to a project that did not involve the Agency? Yes x; No _____. If yes, is the real property tax exemption being sought consistent with the Agency's Uniform Tax Exemption Policy? Yes ____; No x.

2. Is the applicant expecting that the financing of the Project will be secured by one or more mortgages? Yes x; No _____. If yes, what is the approximate amount of financing to be secured by mortgages? \$ 100,000,000.

3. Is the applicant expecting to be appointed agent of the Agency for purposes of avoiding payment of N.Y.S. Sales Tax or Compensating Use Tax? Yes x; No _____. If yes, what is the approximate amount of purchases which the applicant expects to be exempt from the N.Y.S. Sales and Compensating Use Taxes? \$ _____.

4. What is the estimated value of each type of tax-exemption being sought in connection with the Project? Please detail the type of tax-exemption and value of each exemption.

a.	N.Y.S. Sales and Compensating Use Taxes:	\$ <u>500,000</u>
b.	Mortgage Recording Taxes:	\$ <u>750,000</u>
c.	Real Property Tax Exemptions:	\$ <u>SEE ATTACHED</u>
d.	Other (please specify):	\$ _____
	_____	\$ _____
	_____	\$ _____

5. Are any of the tax-exemptions being sought in connection with the Project inconsistent with the Agency's Uniform Tax-exemption Policy? Yes x; No _____. If yes, please explain how the request of the applicant differs from the Agency's Uniform Tax-Exemption Policy:

SEE ATTACHED

VII. REPRESENTATIONS BY THE APPLICANT. The applicant understands and agrees with the Agency as follows:

A. Job Listings. 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 Financial Assistance from the Agency, except as otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the Project will be listed with the New York State Department of Labor Community Services Division (the “DOL”) and with the administrative entity (collectively with the DOL, the “JTPA Entities”) of the service delivery area created by the federal job training partnership act (Public Law 97-300) (“JTPA”) in which the Project is located.

B. First Consideration for Employment: 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 Financial Assistance from the Agency, except as otherwise provided by collective bargaining agreements, where practicable, the applicant will first consider persons eligible to participate in JTPA programs who shall be referred by the JTPA Entities for new employment opportunities created as a result of the Project.

C. Annual Sales Tax Filings: In accordance with Section 874(8) 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.

D. 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.

E. Absence of Conflicts of Interest: The applicant has received from the Agency a list of the members, officers and employees of the Agency. No member, officer or employee of the Agency has an interest, whether direct or indirect, in any transaction contemplated by this Application, except as hereinafter described: _____

GREEN EMPIRE FARMS, INC.

(Applicant)

BY: _____

Kevin Safrance, Chief Operating Officer



NOTE: APPLICANT MUST COMPLETE THE APPROPRIATE VERIFICATION APPEARING ON PAGES 16 THROUGH 18 HEREOF BEFORE A NOTARY PUBLIC AND MUST SIGN AND ACKNOWLEDGE THE HOLD HARMLESS AGREEMENT APPEARING ON PAGE 19.

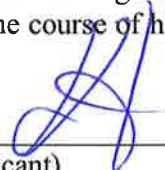
VERIFICATION

(If Applicant is a Corporation)

STATE OF MICHIGAN)
)SS.:
COUNTY OF _____)

Kevin Safrance deposes and says that he is the
(Name of officer of applicant)
Chief Operating Officer of GREEN EMPIRE FARMS, INC.,
(Title) (Company Name)

the corporation named in the attached application; that he has read the foregoing application and knows the contents thereof; and that the same is true and complete and accurate to the best of his knowledge. Deponent further says that the reason this verification is made by the deponent and not by said Company is because the said Company is a corporation. The grounds of deponent's belief relative to all matters in the said application which are not stated upon his own personal knowledge are investigations which deponent has caused to be made concerning the subject matter of this application as well as information acquired by deponent in the course of his duties as an officer of and from the books and papers of said corporation.



(officer of applicant)

Sworn to before me this
20th day of March, 2018


Notary Public

DAVID E. EINSTANDIG
NOTARY PUBLIC, STATE OF MI
COUNTY OF OAKLAND
MY COMMISSION EXPIRES Aug 2, 2021
ACTING IN COUNTY OF

HOLD HARMLESS AGREEMENT

Applicant hereby releases Madison County Industrial Development Agency and the members, officers, servants, agents and employees thereof (hereinafter collectively referred to as the "Agency") from, agrees that the Agency shall not be liable for and agrees to indemnify, defend and hold the Agency harmless from and against any and all liability arising from or expense incurred by (A) the Agency's examination and processing of, and action pursuant to or upon, the attached Application, regardless of whether or not the application or the Project described therein or the tax exemptions and other assistance requested therein are favorably acted upon by the Agency, (B) the Agency's acquisition, construction and/or installation of the Project described therein and (C) any further action taken by the Agency with respect to the Project; including without limiting the generality of the foregoing, all causes of action and attorneys' fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. If, for any reason, the Applicant fails to conclude or consummate necessary negotiations, or fails, within a reasonable or specified period of time, to take reasonable, proper or requested action, or withdraws, abandons, cancels or neglects the Application, or if the Agency or the Applicant are unable to reach final agreement with respect to the Project, then, and in that event, upon presentation of an invoice itemizing the same, the Applicant shall pay to the Agency, its agents or assigns, all actual costs incurred by the Agency in the processing of the Application, including attorneys' fees, if any.

GREEN EMPIRE FARMS, INC.

(Applicant)

BY:

Kevin Safrance, Chief Operating Officer

Sworn to before me this
20th day of March, 2018.


Notary Public

DAVID E. EINSTANDIG
NOTARY PUBLIC, STATE OF MI
COUNTY OF OAKLAND
MY COMMISSION EXPIRES Aug 2, 2021
ACTING IN COUNTY OF

Attachment to the Madison County Industrial Development Agency

Amended Application for Sale/Leaseback Transaction

Section I, B. Management of Company –

Name	Office
Donald Mastronardi	Chairman
Paul Mastronardi	President and Chief Executive Officer
Marne Safrance	Treasurer
Kevin Safrance	Chief Operating Officer
Steven Attridge	Chief Financial Officer
David Einsteadig	Secretary
Kim Marks	Vice President, Finance

Section I, B., 2 – Mastronardi has two pending litigation matters. One is a pending wrongful discharge case filed in Wayne Court, Michigan, Circuit Court (the County where Mastronardi has its principal place of business). The second is a complaint filed before the EEOC, which Mastronardi has responded to.

Section II, A., Section II, D., 1 and Section II, D., 3 Project Description – Green Empire Farms has entered into the PSA to acquire the Property for a purchase price of \$4 million. The Property consists of +/- 260 acres and is comprised of a portion of six separate tax parcels, four of which are in the City of Oneida and two of which are in the Village of Wampsville. Specifically, the parcels are as follows:

City of Oneida

37-1-1.11	1876 West Elm Street	232.77 acres (a portion of the tax parcel)
37-1-1.12	1944 West Elm Street	0.69 acres
37-1-2	1900 West Elm Street	1.36 acres
37-1-4.1	West Elm Street	140.64 acres (a portion of the tax parcel)

Village of Wampsville

37.9-1-16.1	Court Street North	24.72 acres
37.5-1-5	Court Street North	0.55 acres

Project Glass is planned to be constructed in four phases. The first phase will consist of 32 growing acres under glass, together with sitework and infrastructure improvements, and ancillary facilities. There will be a 100,000 square foot grading building, farmworker housing, and an estimated 200,000 square feet of water retention basins. The primary crops will include different tomato varieties, and potentially cucumbers, peppers and strawberries. It is anticipated that the first phase will commence in July 2018, with construction complete within 12 months.

The Project application identifies costs and employment associated with each phase. While order in which the four greenhouse structures will be constructed in may change, the second phase is anticipated to commence once the first phase is operational with stabilized labor. Likewise, the third and fourth phases will be constructed after each of the prior phases have stabilized operations.

It is anticipated that each of the four phases will receive IDA benefits including sales tax exemption, mortgage tax exemption (if relevant), and a 20 year PILOT schedule in accordance with the methodology set forth herein. The fees to the IDA for the first phase of the Project will be paid with the initial closing, and fees for subsequent phases will be paid prior to benefits being received for each such phase.

Section II, B., Location of the Project – See above.

Section VI, A., 5, Tax Exemption Policy – See attached proposed PILOT schedule which is a deviation from the Uniform Tax Exemption Policy.

Project Glass

Attachment to Madison County IDA Application

TYPE OF EMPLOYMENT					
	PROFESSIONAL OR MANAGERIAL	SKILLED	SEMI-SKILLED	UNSKILLED	TOTALS
Present Full Time	0	0	0	0	0
Present Part Time					
Present Seasonal					
First Phase Full Time	3	12	5	40	60
First Phase Part Time					
First Phase Seasonal					
Second Phase Full Time	1	10	7	40	58
Second Phase Part Time					
Second Phase Seasonal					
Third Phase Full Time	0	1	5	36	42
Third Phase Part Time					
Third Phase Seasonal					
Fourth Phase Full Time	0	1	3	36	40
Fourth Phase Part Time					
Fourth Phase Seasonal					
TOTALS	4	24	20	152	200

The Project has been designed with four separate phases. Phases A, B and C each consist of approximately 32 acres under glass, and Phase D consists of approximately 14 acres under glass. It has not been fully ascertained as to what order the separate phases will be constructed in. The employment figures are reasonable estimates per phase regardless of the actual order of construction.

V. Project Costs - Project Glass						
Description of Cost	Site Development	Phase A	Phase B	Phase C	Phase D	Total Project Cost
Actual Growing Acres		31.86	31.86	31.86	14.00	109.59
Land	4,000,000	-	-	-	-	4,000,000
Sitework Costs (fill in wetlands)	1,500,000	-	-	-	-	1,500,000
Buildings	-	35,500,000	23,700,000	26,500,000	20,000,000	105,700,000
Customer owned Substation	5,000,000	-	-	1,000,000	-	6,000,000
Infrastructure	1,200,000	-	-	-	-	1,200,000
Architectural/Engineering	-	300,000	75,000	75,000	75,000	525,000
Soft Costs (including professional fees)	-	500,000	100,000	100,000	100,000	800,000
Total Project Costs	11,700,000	36,300,000	23,875,000	27,675,000	20,175,000	119,725,000

The Site Development work will be undertaken first with one of the phases, and the balance of the phases will be constructed over time.

The initial fee paid to the IDA will be based on the combined project costs for Site Development and Phase A.

As each subsequent phase is undertaken, an additional fee based on the cost of that phase will be paid at that time.

Project Glass - Formula for Total Annual PILOT

Site Development

and First Phase Year 1 of First Phase 20 year PILOT schedule equals the next taxable year after the year placed in service
 Annual PILOT = (Initial Assessment + (80% Construction Cost x (1 - Obsolescence Factor) x (1 - Exemption %))) x Actual Tax Rate

Second Phase Year 1 of Second Phase 20 year PILOT schedule equals the next taxable year after the year placed in service
 Annual PILOT = (80% Construction Cost x (1 - Obsolescence Factor) x (1 - Exemption %)) x Actual Tax Rate

Third Phase Year 1 of Third Phase 20 year PILOT schedule equals the next taxable year after the year placed in service
 Annual PILOT = (80% Construction Cost x (1 - Obsolescence Factor) x (1 - Exemption %)) x Actual Tax Rate

Fourth Phase Year 1 of Fourth Phase 20 year PILOT schedule equals the next taxable year after the year placed in service
 Annual PILOT = (80% Construction Cost x (1 - Obsolescence Factor) x (1 - Exemption %)) x Actual Tax Rate

Total Annual PILOT = Sum of Annual PILOT for each Phase, subject to Special Assessment Limitation ("SAL")

SAL = (Initial Assessment + (80% Construction Cost x (1 - Obsolescence Factor)) x \$4.43 / 1,000 *For all completed Phases

IF (Total Annual PILOT + Actual Special Assessments) in any given year of the PILOT exceeds (Total Annual PILOT + SAL), then
 Total Annual PILOT is reduced by (Actual Special Assessments - SAL)

Initial Assessment 682,200 (Oneida 575,600, Wampsville 106,600)

Phase	Phase A & Site Dev.	Phase B	Phase C	Phase D
Cost	41,700,000	23,700,000	27,500,000	20,000,000
Area [acre]	32.45	32.45	32.45	15.37
Area [SF]	1,413,522	1,413,522	1,413,522	669,517

	Obsolescence Factor	Calculated Assessment Increase			
Year 1	0%	33,360,000	18,960,000	22,000,000	16,000,000
Year 2	7%	31,024,800	17,632,800	20,460,000	14,880,000
Year 3	14%	28,689,600	16,305,600	18,920,000	13,760,000
Year 4	21%	26,354,400	14,978,400	17,380,000	12,640,000
Year 5	28%	24,019,200	13,651,200	15,840,000	11,520,000
Year 6	35%	21,684,000	12,324,000	14,300,000	10,400,000
Year 7	42%	19,348,800	10,996,800	12,760,000	9,280,000
Year 8	49%	17,013,600	9,669,600	11,220,000	8,160,000
Year 9	56%	14,678,400	8,342,400	9,680,000	7,040,000
Year 10	63%	12,343,200	7,015,200	8,140,000	5,920,000
Years 11 - 20	70%	10,008,000	5,688,000	6,600,000	4,800,000

	Exemption %	Taxable Increase in Assessment for PILOT			
Year 1	100%	-	-	-	-
Year 2	95%	1,551,240	881,640	1,023,000	744,000
Year 3	90%	2,868,960	1,630,560	1,892,000	1,376,000
Year 4	85%	3,953,160	2,246,760	2,607,000	1,896,000
Year 5	80%	4,803,840	2,730,240	3,168,000	2,304,000
Year 6	75%	5,421,000	3,081,000	3,575,000	2,600,000
Year 7	70%	5,804,640	3,299,040	3,828,000	2,784,000
Year 8	65%	5,954,760	3,384,360	3,927,000	2,856,000
Year 9	60%	5,871,360	3,336,960	3,872,000	2,816,000
Year 10	55%	5,554,440	3,156,840	3,663,000	2,664,000
Year 11	50%	5,004,000	2,844,000	3,300,000	2,400,000
Year 12	45%	5,504,400	3,128,400	3,630,000	2,640,000
Year 13	40%	6,004,800	3,412,800	3,960,000	2,880,000
Year 14	35%	6,505,200	3,697,200	4,290,000	3,120,000
Year 15	30%	7,005,600	3,981,600	4,620,000	3,360,000
Year 16	25%	7,506,000	4,266,000	4,950,000	3,600,000
Year 17	20%	8,006,400	4,550,400	5,280,000	3,840,000
Year 18	15%	8,506,800	4,834,800	5,610,000	4,080,000
Year 19	10%	9,007,200	5,119,200	5,940,000	4,320,000
Year 20	5%	9,507,600	5,403,600	6,270,000	4,560,000

PILOT Based on Taxable Increase in Assessment and Actual Tax Rates.

Project Glass Proposed PILOT Modeled for First Two Phases

Existing Assessment	Oneida	575,600			
	Wampsville	106,600			
		80%			
New Bldg - Ph A & Site	41,700,000	33,360,000	Acres under Glass	32.00	(Phase A only)
New Bldg - Ph B	23,700,000	18,960,000	Acres under Glass	64.00	(Phases A & B combined)
Tax Rate Increase	1.02	1.02			
Current Tax Rate	35.382503	35.788186			

First Phase PILOT (Assume Phase A and Site Development)							Second Phase PILOT (Assume Phase B)				Total Annual PILOT for First and Second Phases	Special Assessment Limitation	Maximum PILOT and Special Assessments Combined	
Initial Assessment	Obsolescence Factor	Exemption %	Taxable Assessment New Structure	Total Taxable Assessment	Estimated Tax Rate	PILOT	Obsolescence Factor	Exemption %	Taxable Assessment New Structure	PILOT				
1	682,200	0%	100%	-	682,200	36.09	24,621					24,621	150,807	175,428
2	682,200	7%	95%	1,551,240	2,233,440	36.81	82,217					82,217	140,462	222,679
3	682,200	14%	90%	2,868,960	3,551,160	37.55	133,340	1	0%	100%	-	133,340	214,110	347,450
4	682,200	21%	85%	3,953,160	4,635,360	38.30	177,530	2	7%	95%	881,640	211,296	197,885	409,182
5	682,200	28%	80%	4,803,840	5,486,040	39.07	214,313	3	14%	90%	1,630,560	278,011	181,661	459,672
6	682,200	35%	75%	5,421,000	6,103,200	39.85	243,191	4	21%	85%	2,246,760	332,716	165,437	498,153
7	682,200	42%	70%	5,804,640	6,486,840	40.64	263,647	5	28%	80%	2,730,240	374,613	149,212	523,825
8	682,200	49%	65%	5,954,760	6,636,960	41.46	275,143	6	35%	75%	3,081,000	402,870	132,988	535,858
9	682,200	56%	60%	5,871,360	6,553,560	42.29	277,120	7	42%	70%	3,299,040	416,621	116,763	533,384
10	682,200	63%	55%	5,554,440	6,236,640	43.13	268,993	8	49%	65%	3,384,360	414,964	100,539	515,503
11	682,200	70%	50%	5,004,000	5,686,200	43.99	250,157	9	56%	60%	3,336,960	396,962	84,314	481,277
12	682,200	70%	45%	5,504,400	6,186,600	44.87	277,615	10	63%	55%	3,156,840	419,274	78,435	497,708
13	682,200	70%	40%	6,004,800	6,687,000	45.77	306,071	11	70%	50%	2,844,000	436,244	72,555	508,799
14	682,200	70%	35%	6,505,200	7,187,400	46.69	335,554	12	70%	45%	3,128,400	481,608	72,555	554,164
15	682,200	70%	30%	7,005,600	7,687,800	47.62	366,095	13	70%	40%	3,412,800	528,613	72,555	601,168
16	682,200	70%	25%	7,506,000	8,188,200	48.57	397,722	14	70%	35%	3,697,200	577,305	72,555	649,860
17	682,200	70%	20%	8,006,400	8,688,600	49.54	430,468	15	70%	30%	3,981,600	627,733	72,555	700,288
18	682,200	70%	15%	8,506,800	9,189,000	50.53	464,365	16	70%	25%	4,266,000	679,947	72,555	752,503
19	682,200	70%	10%	9,007,200	9,689,400	51.55	499,446	17	70%	20%	4,550,400	733,999	72,555	806,555
20	682,200	70%	5%	9,507,600	10,189,800	52.58	535,744	18	70%	15%	4,834,800	789,941	72,555	862,497
21	682,200	70%	0%	10,008,000	10,690,200	53.63	573,295	19	70%	10%	5,119,200	847,828	72,555	920,383
22	682,200	70%	0%	10,008,000	10,690,200	54.70	584,761	20	70%	5%	5,403,600	880,341	72,555	952,896

For modeling purposes only - PILOT to be calculated from actual tax rate