

TIOGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

APPLICATION FOR FINANCIAL ASSISTANCE

PLEASE NOTE: PRIOR TO SUBMITTING A COMPLETED FINAL APPLICATION AND EAF, PLEASE ARRANGE TO MEET WITH THE AGENCY'S STAFF TO REVIEW YOUR DRAFT APPLICATION AND EAF

Date: 9/30/16

APPLICATION OF: Tioga Downs Racetrack, LLC
APPLICANT NAME

Tioga Recreation Association, Inc.
OWNERSHIP OF PROPOSED PROJECT
(APPLICANT OR OTHER OWNER)

Type of Application:

- | | |
|--|--|
| <input type="checkbox"/> Tax-Exempt Bonds | <input type="checkbox"/> Taxable Bonds |
| <input type="checkbox"/> Both Taxable and Tax-Exempt Bonds | <input checked="" type="checkbox"/> Sale/Leaseback |
| | <input type="checkbox"/> Bank Financing |
| <input type="checkbox"/> Refunding | <input type="checkbox"/> Amendment |
| <input type="checkbox"/> Second Mortgage | <input type="checkbox"/> Transfer |

Type of Project:

- | | |
|---|---|
| <input type="checkbox"/> Industrial/Manufacturing | <input type="checkbox"/> Warehousing |
| <input type="checkbox"/> Commercial/Office | <input type="checkbox"/> Pollution Control/
(indicate type)
_____ |
| <input type="checkbox"/> Not-for-Profit/Civic
(Specify) _____
_____ | <input type="checkbox"/> Energy or Cogeneration Facility |
| <input checked="" type="checkbox"/> Commercial/Retail | <input checked="" type="checkbox"/> Other (specify)
<u>Golf course ancillary to Tioga Downs</u>
<u>Casino and new clubhouse for golf course.</u>
_____ |
| <input type="checkbox"/> Solid Waste | |

Description of Project (check one or more):

- | | |
|--|---|
| <input checked="" type="checkbox"/> New Construction | <input type="checkbox"/> Acquisition of existing facility |
| <input checked="" type="checkbox"/> Addition to existing facility
<input type="checkbox"/> Existing IDA project | <input checked="" type="checkbox"/> Purchase of new machinery and equipment |
| <input checked="" type="checkbox"/> Renovation/modernization of existing facility
<input type="checkbox"/> Existing IDA project | <input type="checkbox"/> Purchase of used machinery and equipment |

Please respond to all items either by filling in blanks, by attachment (by marking space "See Attachment Number 1," etc.) or by N.A., where not applicable. This application must be filed in 4 copies. A complete application is essential for the Agency's determination of whether to provide the financial assistance requested. A non-refundable application fee of \$2,500.00 is required at the time of submission of this application to the Tioga County Industrial Development Agency (the "Agency"). In the event that multiple public hearings are required, \$500.00 per hearing will be charged in addition to the application fee.

The attached Environmental Assessment Form ("EAF") is an integral part of this application. This application will not be deemed complete unless accompanied by a fully completed EAF.

Before inducement, Bond Counsel (or Transaction Counsel, in the case of a Sale/Leaseback) will require a \$2,500 deposit which will be applied to actual out-of-pocket fees and disbursements made during the inducement and negotiation processes, and will be reflected on their final statement at closing.

Information provided herein will not be made public by the Agency prior to the passage of an Official Inducement Resolution, but may be subject to disclosure under the New York Freedom of Information Law.

APPLICANTS FOR FINANCIAL ASSISTANCE TO RETAIL FACILITIES ALSO COMPLETE RIDER A

APPLICANTS FOR TAX-EXEMPT BONDS ALSO COMPLETE RIDER B

I. OWNER DATA

A. PROPOSED PROJECT OWNER (THE "OWNER")

NAME Tioga Recreation Association, Inc.

ADDRESS 151 Ro-Ki Boulevard, Nichols, NY 13812

CONTACT Vince Carpineta POSITION President

PHONE 607-699-3881 FEDERAL EMPLOYER I.D.# 16-0911314

FAX N/A E-MAIL vince.carpineta@matcoelectric.com

NAICS CODE 713910

BUSINESS TYPE:

SOLE PROPRIETORSHIP LIMITED LIABILITY COMPANY

GENERAL PARTNERSHIP LIMITED PARTNERSHIP

OTHER (PLEASE DESCRIBE) _____

State and Date of Organization _____

PRIVATELY HELD CORPORATION

PUBLIC CORPORATION LISTED ON _____ EXCHANGE

State and Date of Incorporation _____

NOT-FOR-PROFIT CORPORATION

Qualified Under Section 501(c)(7) of Internal Revenue Code (attach a copy of IRS Determination Letter) *IRS determination letter cannot be located by Owner*

State and Date of Incorporation or Charter New York; 12/22/1964

EDUCATION CORPORATION

Qualified Under Section ____ of the Internal Revenue Code (attach a copy of IRS Determination Letter)

State and Date of Incorporation or Charter _____

ATTORNEY Adam R. Schumacher
 FIRM NAME Dixson Schumacher, P.C.
 ADDRESS 212 Front Street, Owego, NY 13827
 PHONE (607) 687-1350 FAX (607) 785-2355
 E-MAIL aschumacher@dspclaw.com

B. FACILITY USER (tenant using more than 10% of the square footage of the Facility, if different than the Owner) (THE "USER")

NAME Tioga Downs Racetrack, LLC
 ADDRESS 2384 W. River Rd., Nichols, NY 13812
 CONTACT Randall Snodgrass POSITION Vice President of Finance
 PHONE (607) 699-7579 FEDERAL EMPLOYER I.D.# 20-1280492
 FAX (607) 699-3712 E-MAIL rsnodgrass@tiogadowns.com
 NAICS CODE 711210 & 713200

BUSINESS TYPE:

SOLE PROPRIETORSHIP LIMITED LIABILITY COMPANY

GENERAL PARTNERSHIP LIMITED PARTNERSHIP

OTHER (PLEASE DESCRIBE) _____

State and Date of Organization New York; 5/26/2004

PRIVATELY HELD CORPORATION

PUBLIC CORPORATION LISTED ON _____ EXCHANGE

State and Date of Incorporation _____

NOT-FOR-PROFIT CORPORATION

Qualified Under Section ____ of Internal Revenue Code (attach a copy of IRS Determination Letter)

State and Date of Incorporation or Charter _____

EDUCATION CORPORATION

Qualified Under Section ____ of the Internal Revenue Code (attach a copy of IRS Determination Letter)

State and Date of Incorporation or Charter

ATTORNEY James R. Franz

FIRM NAME Hinman, Howard & Kattell, LLP

ADDRESS 80 Exchange Street, Binghamton, NY 13901

PHONE (607) 723-5341 FAX (607) 723-6605

E-MAIL jimfranz@hhk.com

(Please provide names of each additional User, if any, and all of the information requested above, on a separate sheet and attach it to this questionnaire.)

- C. Any related person (e.g., stockholder, principal, partner, member, parent corporation, sister corporation, subsidiary) to the above Owner or User proposed to be a user of the Project.

<u>NAME</u>	<u>BUSINESS TYPE</u>	<u>RELATIONSHIP</u>
American Racing and Entertainment, LLC	Limited Liability Company	Parent company of User

- D. Principal stockholders or partners of the Owner and the User, if any (i.e., owners of 5% or more equity in the Owner or the User):

<u>NAME</u>	<u>% OWNED</u>	<u>WHICH COMPANY</u>
American Racing and Entertainment, LLC	100%	Tioga Downs Racetrack, LLC

- E. **APPLICANTS FOR TAX-EXEMPT FINANCING:** If any of the above persons, or a group of them, owns more than a 50% interest in the Owner or the User, list all other persons that are related to the Owner or the User by virtue of such owners having more than a 50% interest in such other persons.

- F. **APPLICANTS FOR TAX-EXEMPT FINANCING:** Is the Owner or the User related to any other person by reason of more than 50% common ownership? If so, indicate the name of each related person and the Owner's or User's relationship to such person.

- G. List the Owner's and the User's parent corporations, sister corporations and subsidiaries if any.

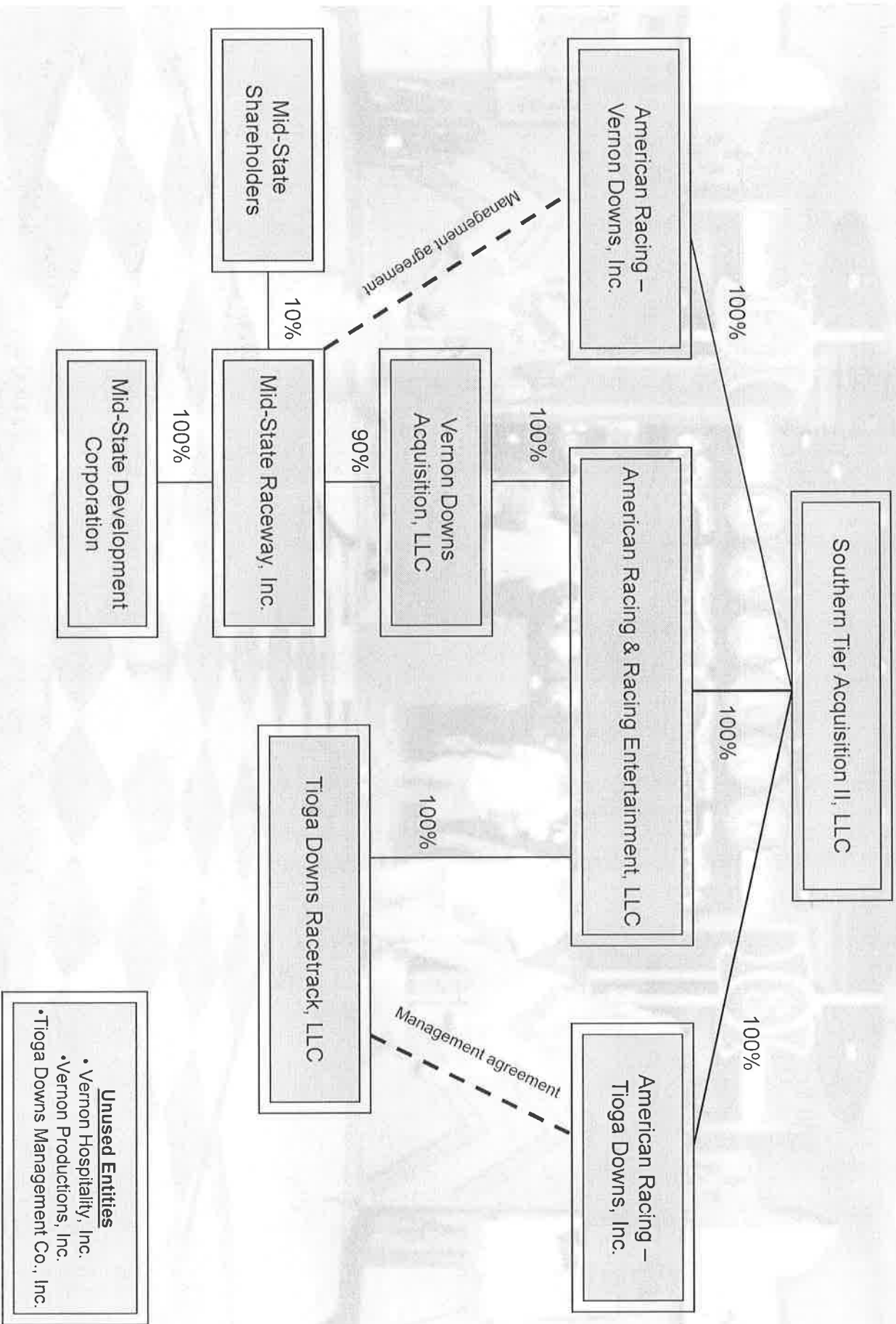
User Parent Company: American Racing and Entertainment, LLC

User Sister Company: Vernon Downs Acquisition, LLC, which owns a 90% interest in Midstate Raceway, Inc.

Other User Sister Companies: Various holding companies, none of which have employees - see attached organizational chart.

- H. Has the Owner or the User (or any other entity listed in answer to questions C-G above) been involved in or benefitted by any prior tax-exempt bond financing in the town/city/village in which this Project is located, whether through the Agency, JDA or another issuer? If so, please explain in full (e.g., name of issuer and beneficiary; original amount of issue; date of issue; current amount outstanding; purpose of issue; etc.).

No.



- I. Has the Owner or the User (or any related person) made a public offering or private placement of its stock within the last year? If so, please describe and provide the prospectus or other offering materials used.

No.

- J. Has the Owner or the User (or any related person) applied to any other Industrial Development Agency in regard to this Project? If so, please provide details of any action taken with respect to the Project and the current status of such application.

No.

- K. List the major bank references of the Owner and the User.

Owner Bank: Community Bank

User Bank: Tioga State Bank

II. OWNER'S OPERATIONS AT CURRENT LOCATION

- A. Address 151 Ro-Ki Boulevard, Nichols, NY 13812

- B. Acreage of existing facility 112.07 acres

- C. Number of buildings and square feet of each building

See attached.

- D. Owned or leased Owned

- E. Please describe the type of operation (e.g., manufacturing, wholesale, distribution, retail, etc.) and products and services offered at current location: _____

Golf course and clubhouse

BUILDINGS AND SQUARE FOOTAGE

<u>Building</u>	<u>Dimensions</u>	<u>Square Footage</u>
Maintenance Building	40'x28'	1,120 sq. ft.
Storage Building	60'x20'	1,200 sq. ft.
Well House	10'x14'	140 sq. ft.
Rainshelter #11	14'x14'	156 sq.ft.
Rainshelter #5	14'x14'	156 sq. ft.
Irrigation Pump House	18'x14'	252 sq. ft.
Cart Barn	100'x40'	4,000 sq. ft.
Storage Building	28'x12'	336 sq. ft.
Pavilion	40'x15'	600 sq. ft.
Clubhouse	60'x48' (first floor) 60'x48' (second floor)	5,760 sq. ft.

F. Employment (current number of full-time employees or the equivalent) _____
2 full time (year round) employees; 22 part-time/seasonal employees.

G. Annual payroll amount \$249,228.17 for 2015

III. USER'S OPERATIONS AT CURRENT LOCATION

A. Address _____

B. Acreage of existing facility _____

C. Number of buildings and square feet of each _____

D. Owned or leased _____

E. Please describe the type of operation (e.g., manufacturing, wholesale, distribution, retail, etc.) and products and services offered at current location: _____

Currently none.

F. Employment (current number of full time employees or the equivalent) _____

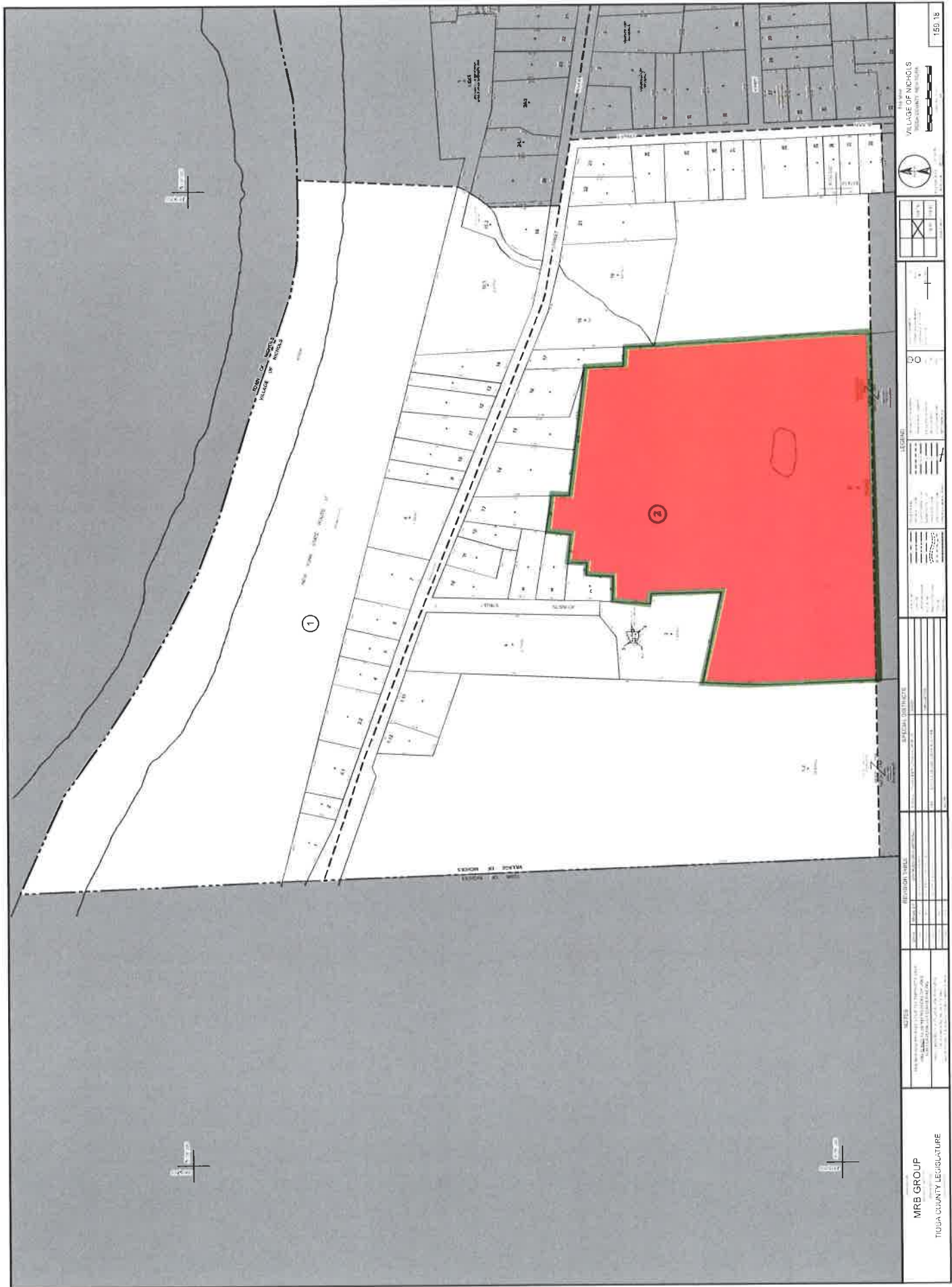
Currently none.

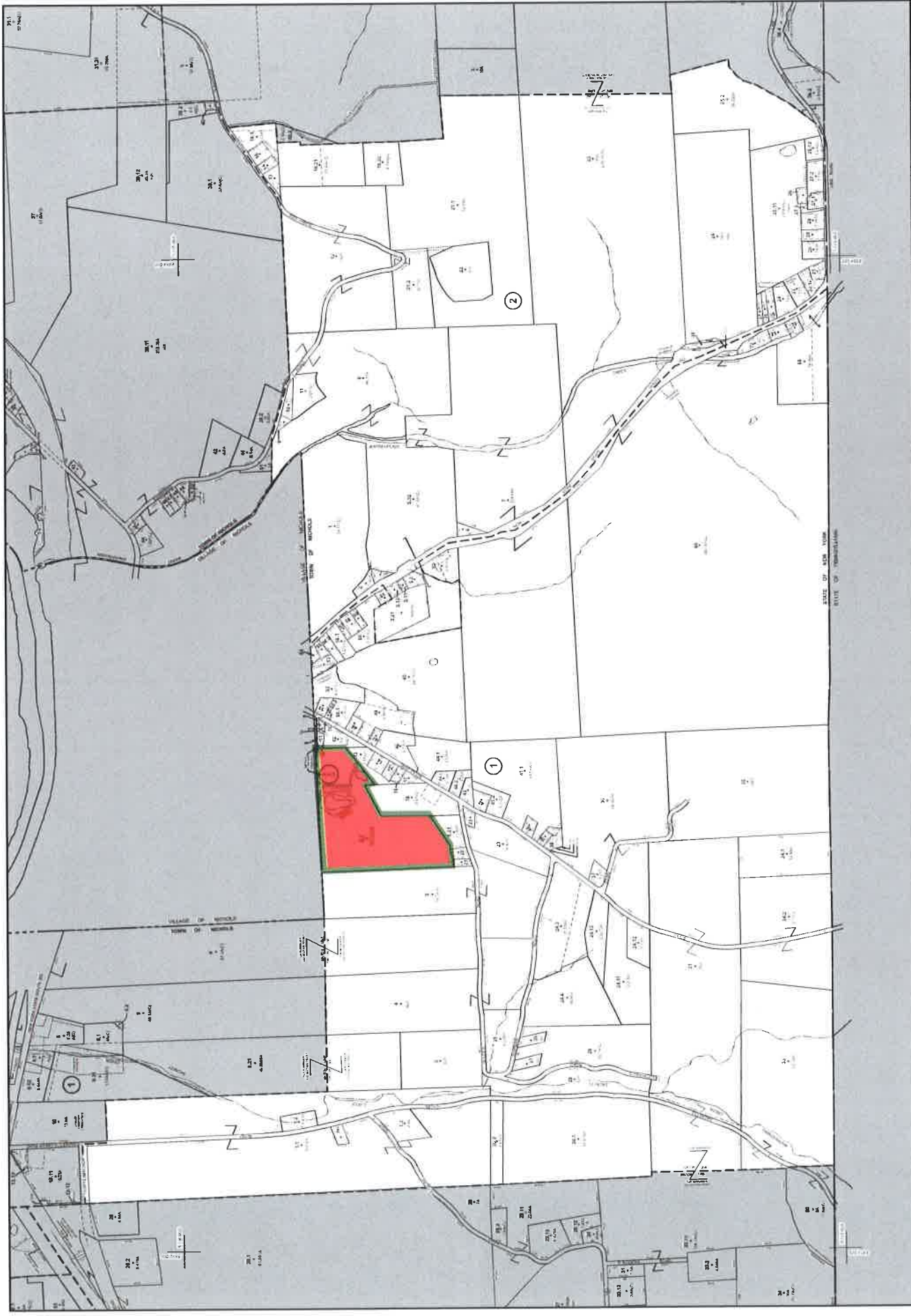
G. Annual payroll amount Currently none.

IV. PROPOSED PROJECT DATA

A. Location of Project - Please attach a map highlighting the location of the Project. In addition, please give the real property tax map number and exact street address of the Project, including the city or village (if any) and town in which the Project will be located. (If no street address is available, please include a survey and the most precise description available.) Please also identify the school district within which the Project will be located: _____

Tax Map Nos. 159.18-2-2 and 170.00-1-6.10 . See attached maps. The project is located in the Town of Nichols, a portion being also in the Village of Nichols, at 151 Ro-Ki Boulevard, Nichols, NY 13812. The project is located in the Tioga Central School District.





170.00

TOWN OF NICHOLS
TULSA COUNTY, OKLAHOMA

STATE OF OKLAHOMA

TULSA COUNTY LEGISLATURE

MRB GROUP

TULSA COUNTY LEGISLATURE

170.00

B. Project Site - Please submit 3 copies of plans or sketches of the proposed acquisition, renovation or construction (under separate cover is permissible). Also attach a photograph of the site or existing facility to be improved.

1. Acreage 112.07 acres

2. Acquisition of existing buildings:

a) Existing buildings to be acquired (number of buildings and square feet of each building):

All existing buildings are going to be leased to User.

b) Does the Project consist of additions and/or renovations to existing buildings? If so, indicate the nature of the expansion and/or renovation in reasonable detail.

Existing clubhouse is being completely rebuilt and details are provided below in Section 3.B (New Construction). Exterior improvements may also be made to the existing cart storage facility as part of the Project.

3. New Construction:

a) Number and square feet of each new building to be constructed:

One building - approximately 10,000 sq. ft.

b) Builder or contractor and address:

LP Ciminelli

2421 Main Street, Buffalo NY

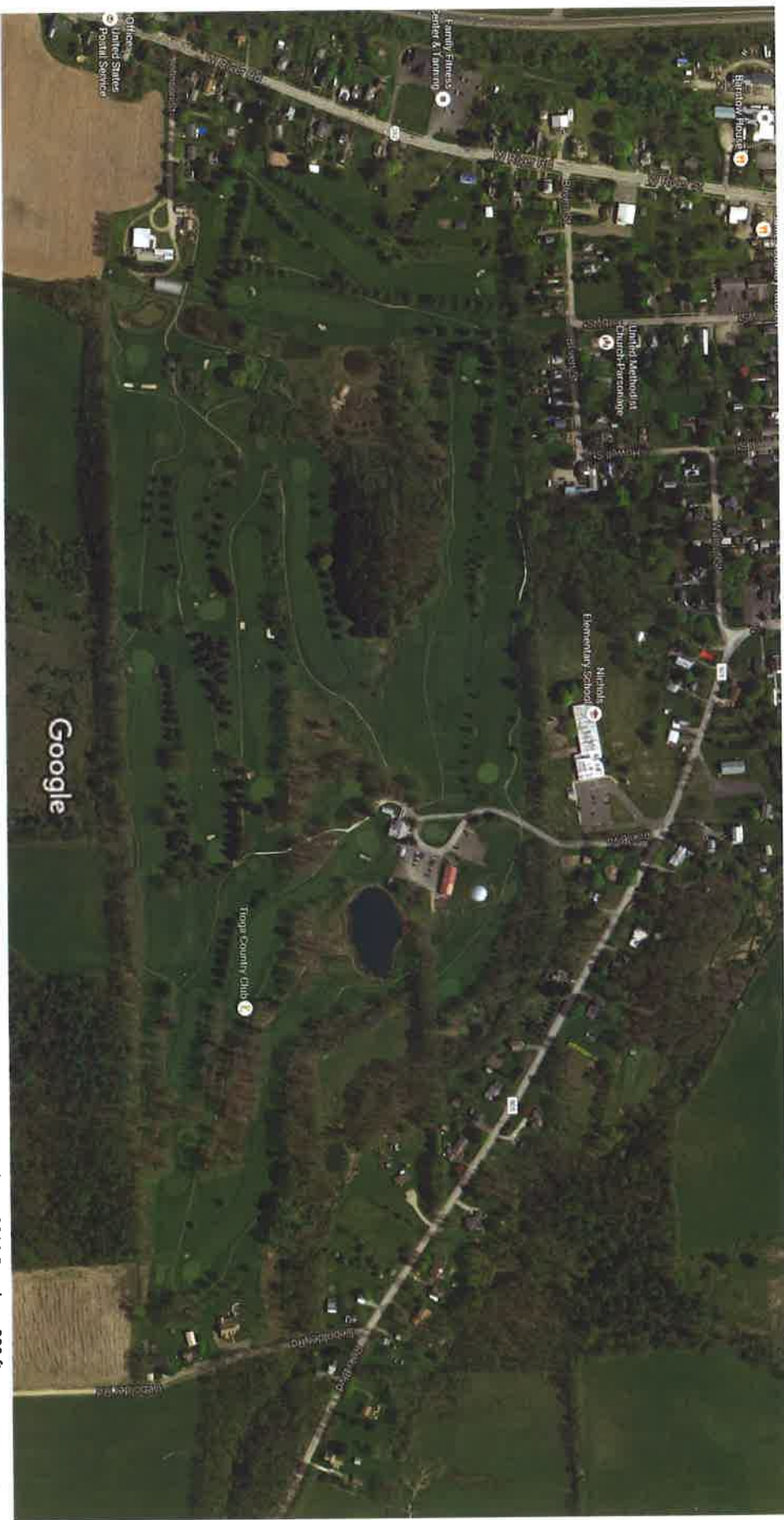
c) Architect and address:

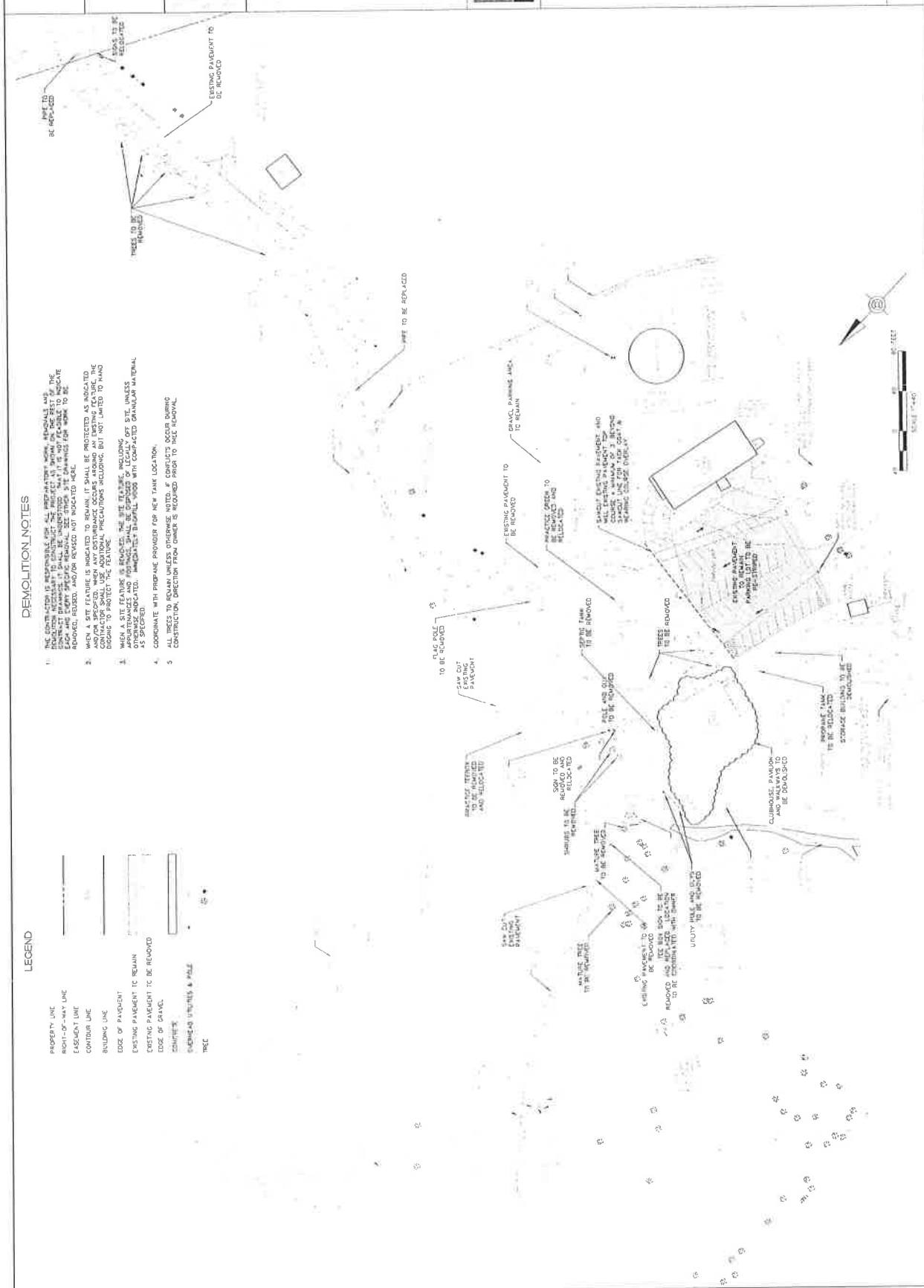
Climans Green Liang Architects, Inc.

156 Avenue Road, Toronto, Ontario M5R 2H8

4. Present use of the Project site:

Golf course and clubhouse



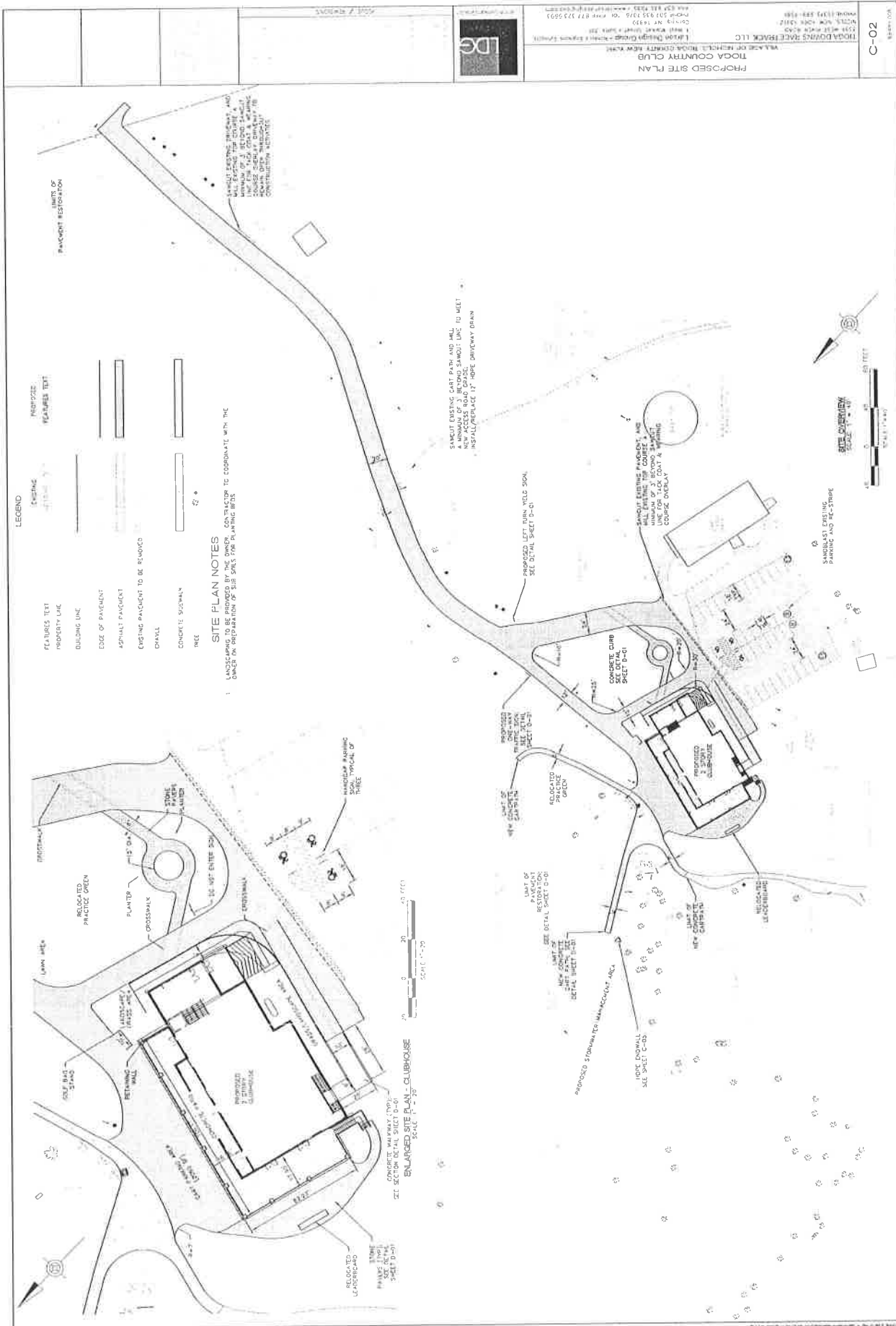


DEMOLITION NOTES

1. THE CONTRACTOR IS RESPONSIBLE FOR ALL UTILITIES, SOME, RELOCABLE AND DEMOLITION NECESSARY TO CONSTRUCT THE PROJECT, AS SHOWN ON THE BEST AVAILABLE RECORD DRAWINGS. THE CONTRACTOR SHALL VERIFY THE LOCATION AND DEPTH OF EACH AND EVERY UTILITY BEFORE ANY CONSTRUCTION BEGINS. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE PROTECTION, REPAIR, AND/OR RELOCATION OF ALL UTILITIES TO BE REMOVED, REUSED, AND/OR RELOCATED. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE PROTECTION, REPAIR, AND/OR RELOCATION OF ALL UTILITIES TO BE REMOVED, REUSED, AND/OR RELOCATED.
2. WHEN A SITE FEATURE IS INDICATED TO REMAIN, IT SHALL BE PROTECTED AS INDICATED ON THE DRAWINGS. THE CONTRACTOR SHALL USE ADDITIONAL PRECAUTIONS INCLUDING, BUT NOT LIMITED TO HAND DIGGING TO PROTECT THE FEATURE.
3. WHEN A SITE FEATURE IS INDICATED TO BE REMOVED, THE CONTRACTOR SHALL REMOVE THE FEATURE AS SHOWN ON THE DRAWINGS. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE PROTECTION, REPAIR, AND/OR RELOCATION OF ALL UTILITIES TO BE REMOVED, REUSED, AND/OR RELOCATED. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE PROTECTION, REPAIR, AND/OR RELOCATION OF ALL UTILITIES TO BE REMOVED, REUSED, AND/OR RELOCATED.
4. COORDINATE WITH PRIME PAVEMENT FOR NEW PARK LOCATION.
5. ALL TREES TO REMAIN UNLESS OTHERWISE NOTED. ALL TREES TO BE REMOVED UNLESS OTHERWISE NOTED. REMOVAL SHALL BE WITH COMPACTED GRANULAR MATERIAL AS SPECIFIED.

LEGEND

- PROPERTY LINE
- RIGHT-OF-WAY LINE
- EASEMENT LINE
- CONTOUR LINE
- BUILDING LINE
- EDGE OF PAVEMENT
- EXISTING PAVEMENT TO REMAIN
- EXISTING PAVEMENT TO BE REMOVED
- EDGE OF GRAVEL
- CONCRETE
- CONCRETE UTILITY & POLE
- TREE



LEGEND

PROPOSED
 FEATURES TEXT
 PROPERTY LINE
 BUILDING LINE
 EDGE OF PAVEMENT
 ASPHALT PAVEMENT
 EXISTING PAVEMENT TO BE REMOVED
 DRIVEWAY
 CONCRETE SIDEWALK
 TREE
 2" x 4"

EXISTING
 FEATURES TEXT
 PROPERTY LINE
 BUILDING LINE
 EDGE OF PAVEMENT
 ASPHALT PAVEMENT
 EXISTING PAVEMENT TO BE REMOVED
 DRIVEWAY
 CONCRETE SIDEWALK
 TREE
 2" x 4"

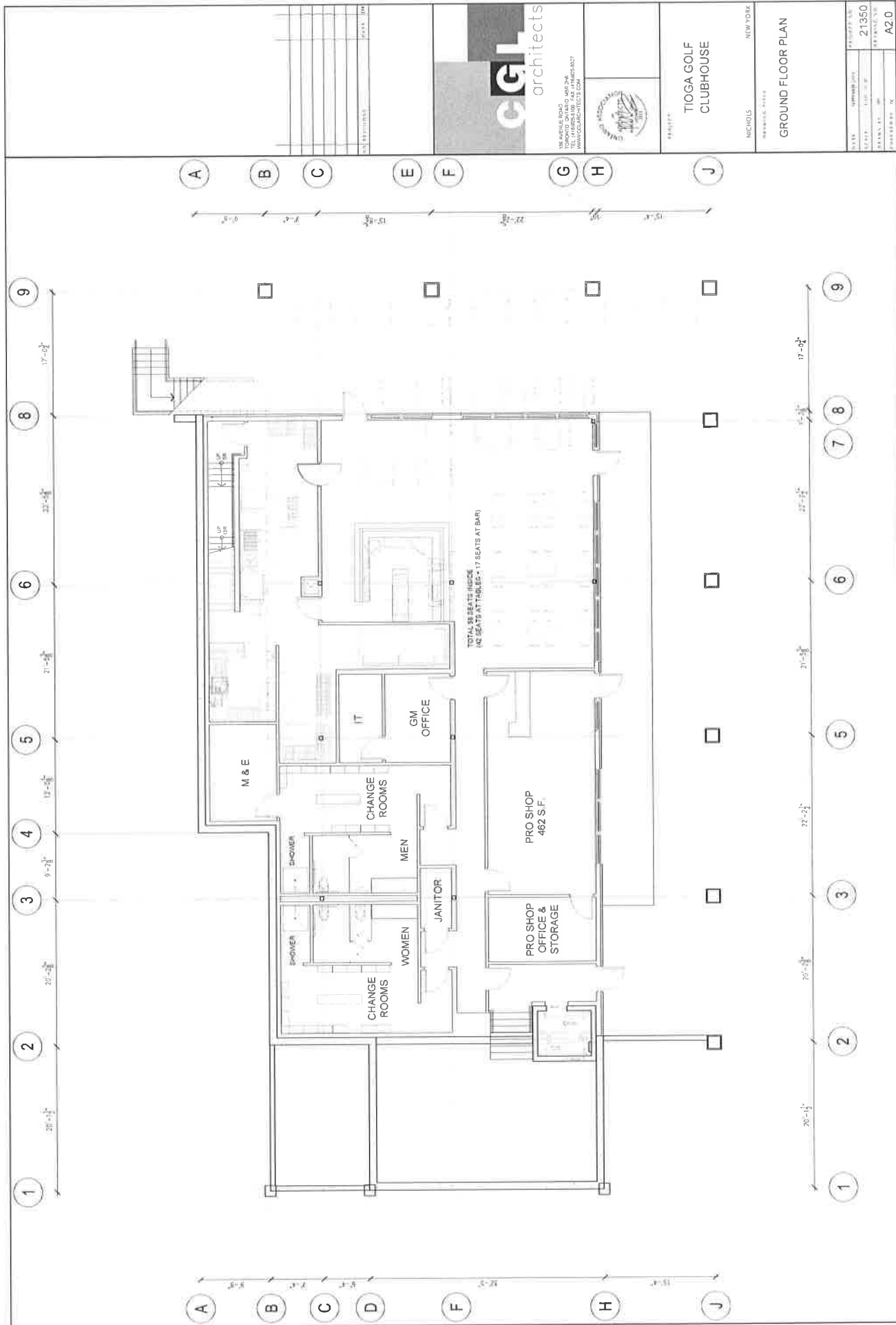
SITE PLAN NOTES

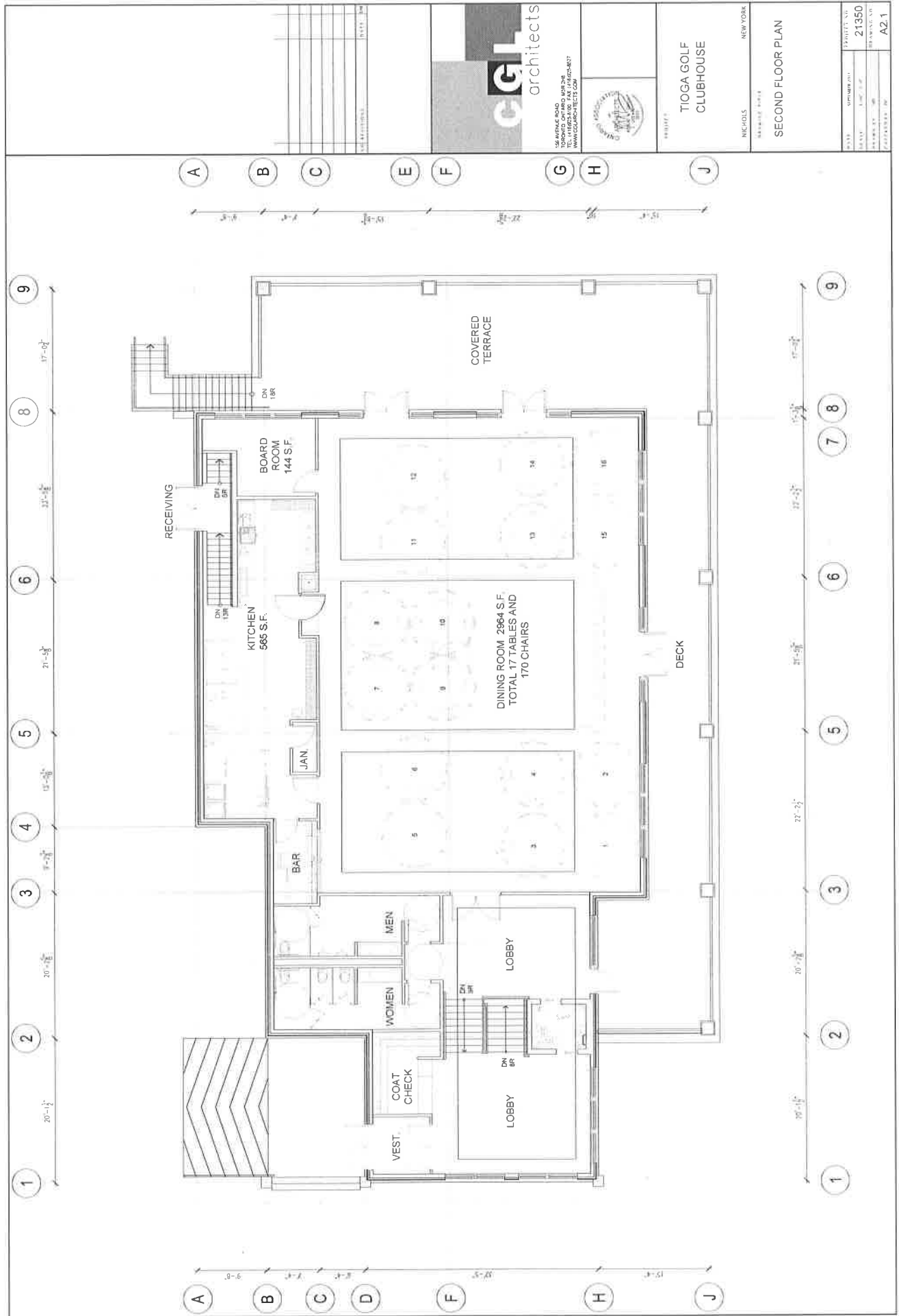
- LANDSCAPING TO BE PROVIDED BY THE OWNER. CONTRACTOR TO COORDINATE WITH THE OWNER IN PREPARATION OF SUB SPECS FOR PLANTING BIDS.

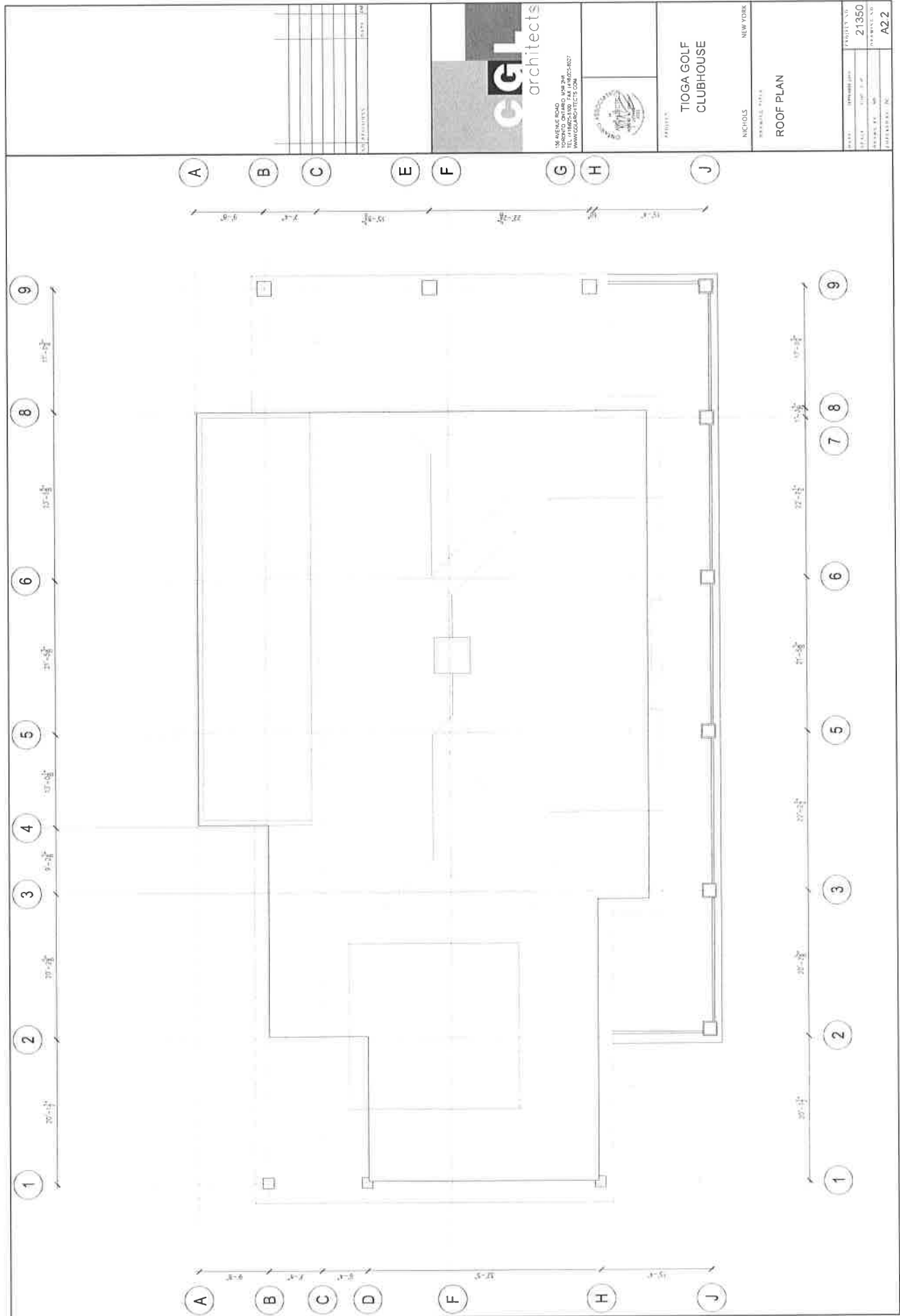
PROPOSED SITE PLAN
TIOGA COUNTRY CLUB
 VALLEY OF MICHIGAN TROOP COUNTRY NEW YORK

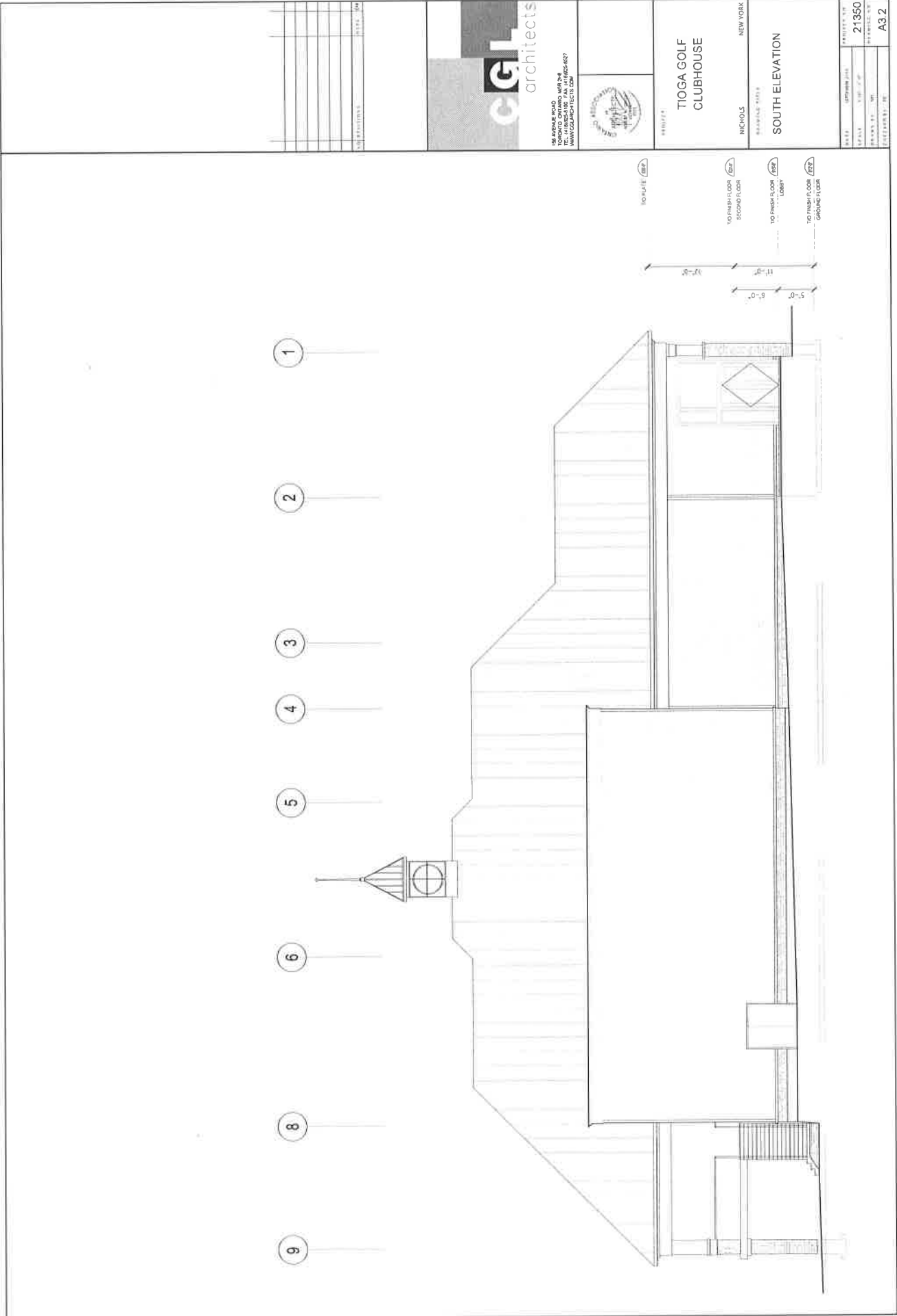
PROPOSED BY: LDE
 1500 EAST 10TH AVENUE
 SUITE 200
 ANN ARBOR, MI 48106-1000
 PHONE: (734) 769-1100
 FAX: (734) 769-1101
 WWW.LDE.COM

DATE: 07/11/2013
 DRAWN BY: J. W. WOOD
 CHECKED BY: J. W. WOOD
 PROJECT NO.: 130001









NO. 1	
NO. 2	
NO. 3	
NO. 4	
NO. 5	
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NO. 7	
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NO. 48	
NO. 49	
NO. 50	

CGL architects

16 AVENUE ROAD, 4TH FLOOR
 NEW YORK, NY 10014
 TEL: 212 692 6277 FAX: 212 692 6277
 WWW.CGLARCHITECTS.COM

PROJECT: TIOGA GOLF CLUBHOUSE

NEW YORK

TIOGA GOLF CLUBHOUSE

SOUTH ELEVATION

NICHOLS

BRADING 2014

DATE	05/20/14	PROJECT NO.	21350
SCALE	1/8" = 1'-0"	NO. SHEETS	18
DRAWN BY	MM	CHECKED BY	
CUSTOMER	NY		A3.2

DATE	2/15/11
BY	ML
CHECKED	ML
SCALE	AS SHOWN
PROJECT NO.	21350
DATE	2/15/11
BY	ML
CHECKED	ML
SCALE	AS SHOWN
PROJECT NO.	21350

CGL architects

100 WEST 10TH STREET
 TORONTO, ONTARIO M5X 1C6
 TEL: 416-593-8100 FAX: 416-593-8277
 WWW.CGLARCHITECTS.COM



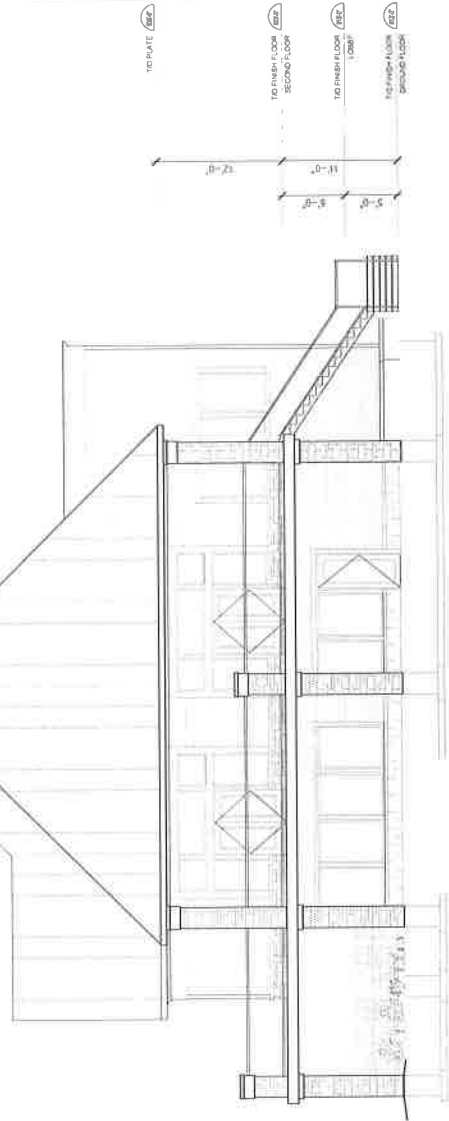
TIOGA GOLF CLUBHOUSE

WEST ELEVATION

NICHOLS NEW YORK

DATE	2/15/11
BY	ML
CHECKED	ML
SCALE	AS SHOWN
PROJECT NO.	21350
DATE	2/15/11
BY	ML
CHECKED	ML
SCALE	AS SHOWN
PROJECT NO.	21350

- (A)
- (B)
- (C)
- (E)
- (F)
- (G)
- (H)
- (J)



5. Present user of Project site:

Tioga Recreation Association, Inc.

6. Relationship of present user of Project site to the Owner, if any: _____

Same entity.

C. Project Use Description – Please provide a detailed description of the Project and the Project’s intended use. (E.g., “The construction and equipping of an approximately _____ square foot building, of which _____ square feet will be used for the manufacturing of _____, _____ square feet will be used for warehousing finished products and _____ square feet will be used for office space, and the acquisition and installation of the following items of machinery and equipment: _____, all to be used by the Owner/User in connection with the manufacturing and/or warehousing of _____ for the _____ industry.) If additional space is necessary, please attach an exhibit to this application.

APPLICANTS FOR TAX-EXEMPT FINANCING PLEASE NOTE: The Tax Reform Act of 1986 limits the types of facilities that are eligible for tax-exempt financing to manufacturing facilities, civic facilities and certain other exempt facilities.

Renovation and improvements to the golf course facility currently located at the Project site that will be used in connection with operation of a golf course and clubhouse ancillary to the Tioga Downs Casino and Resort as part of the development of the Tioga Downs Casino and Resort tourism destination. The Tioga Downs Casino and Resort, which is owned and operated by User, recently received its gaming license from the State of New York and this Project is a condition of the gaming license for that facility. Project improvements include the construction and equipping of an approximately 10,000 square foot clubhouse, which will result in a first class clubhouse facility unique in the local marketplace. The Project improvements also involve purchase of new equipment and FF&E for the golf course facility, including, without limitation, new kitchen equipment, HVAC equipment, refrigeration equipment, FF&E, surveillance cameras and support systems, security systems, fire safety systems, IT infrastructure and systems, and point of sale equipment and systems. The Project improvements may also include purchase of replacement golf carts and golf course equipment.

D. Are there utilities on site? Yes

- a. Water (indicate municipal or other) SUEZ
- b. Sewer (indicate municipal or other) On-site septic.
- c. Electric (Name of utility company) NYSEG
- d. Gas (Name of utility company) No utility company - Propane Gas Utilized

- E. If any space in the Project is to be leased by the Agency or the Owner to third parties, or subleased by the User to third parties, indicate the total square footage of the Project to be leased to each tenant, and the proposed use of that space by each tenant. Although the tenants may not yet be known, the general purposes for which the Project will be used must still be indicated (e.g., manufacturing, office, warehouse, etc.). Use a separate sheet, if necessary.

Owner is leasing the entire Project to User, subject to Owner's retained right to a small space within the premises for continued operation of its membership activities. Project will be used for operation of a golf course and clubhouse ancillary to Tioga Downs Casino.

- F. 1. List principal items or categories of equipment to be acquired as part of the Project and identify whether equipment will be new or used.

All used equipment currently used by Owner is being leased by Owner to User. New kitchen equipment, HVAC, Refrigeration, FF&E, surveillance cameras and support systems, security systems, fire safety systems, IT infrastructure and systems, point of sale equipment and systems will be purchased as part of the construction of the new clubhouse. Replacement golf carts and golf course equipment will be purchased at some point as part of the Project.

2. Have any of the items or categories listed above been ordered or obtained? If so, enclose copies of purchase orders, contracts and/or invoices.

None ordered yet.

- G. Has construction work on the Project begun? If so, complete the following:

- | | | | |
|----|-------------------------|------------------------------|--|
| 1. | Site clearance | <input type="checkbox"/> yes | <input checked="" type="checkbox"/> no _____% complete |
| 2. | Foundation | <input type="checkbox"/> yes | <input type="checkbox"/> no _____% complete |
| 3. | Footings | <input type="checkbox"/> yes | <input type="checkbox"/> no _____% complete |
| 4. | Steel | <input type="checkbox"/> yes | <input type="checkbox"/> no _____% complete |
| 5. | Masonry | <input type="checkbox"/> yes | <input type="checkbox"/> no _____% complete |
| 6. | Other (describe below): | | |

H. Existing facilities within New York State:

1. Are there other facilities owned, leased or used by the Owner or User (or any related person) within the state? If so, tell where such facilities are located and describe the terms of the Owner's or the User's (or any related person's) interest in such facilities.

Owner does not own, lease or use any other facilities within New York State. User owns and operates Tioga Downs Casino and Resort located at 2384 West River Rd., Nichols, NY 13812, and this Project is an express condition of the gaming license for that facility.

2. If there are other facilities within the state, is it expected that any of these other facilities will close or be subject to reduced activity as a result of the proposed Project?

yes no

3. If you answered "No" to question 2 above, please explain in detail how current facilities will be utilized.

Vernon Downs in Vernon, NY is owned by a related party to User. The project will not cause Vernon Downs to close or be subject to reduced activity. The IDA project benefits are anticipated to have an indirect benefit to the parent corporation of Vernon Downs, which will be beneficial to the long term viability of Vernon Downs.

4. If you answered "Yes" to question 2 above, please indicate whether the Project is reasonably necessary for the Owner or User, as applicable, to maintain its competitive position in its industry and explain in detail.

N/A

5. Has the Owner or the User thought about moving to another state? Has the Owner or the User engaged in any negotiations in that regard? If so, please explain.

No, however, the project is a condition of the issuance of the Tioga Downs gaming license, which will be a significant driver of employment and economic activity within the Town of Nichols, Tioga County and New York State.

6. Will the Project meet current zoning requirements at its proposed location?

yes no

a) What is the present zoning? Agricultural-Residential

b) What zoning is required? No change.

c) If a change of zoning is required, please provide the details regarding, and described the status of, any change of zoning request.

7. Is the Project site in an Agricultural District, in a primarily agricultural area, or currently in agricultural use? If yes, provide details.

No.

8. Is the Project site in a Historic District or does it contain any buildings of historical significance? If yes, describe.

No.

9. Are any federal or state wetlands or any other environmentally critical or sensitive areas on or contiguous to the Project site? If yes, describe.

No.

10. Does the Project site contain any underground or above ground storage tanks or wells, whether or not currently in use? If yes, describe.

Yes, the Project site contains above ground storage tanks for propane, gas and diesel fuel and a water well that refills the irrigation pond.

11. List any state, local or federal consents or approvals (e.g., site plan approval, special use permit, environmental permits, certificates of need) that will be necessary in connection with the Project and describe the status of each such consent or approval.

A building permit will be required for construction of the new clubhouse. The Department of Health will be involved for project components related to kitchens and food preparation and the new septic system. The project will also require a SPDES General Stormwater Permit for Construction in connection with the construction activity.

- I. Does the Owner or the User (or any related person) currently lease the Project site?

yes no

- J. Does the Owner or the User (or any related person) now own the Project site?

yes no

1. If so, indicate:
- a) Date of purchase October 27, 1965
 - b) Purchase price \$280,000
 - c) Balance of existing mortgage \$302,896.81 as of 8/23/16
 - d) Holder of mortgage Community Bank, N.A.
 - e) Special conditions N/A

2. If not, does the Owner (or any related person) have an option or a contract to purchase the site and/or any buildings on the site?

- yes no

3. If so, please attach a copy of the option or contract and indicate:

- a) Date signed _____
- b) Purchase price _____
- c) Proposed settlement/closing date _____

K. Has an Environmental Audit or other examination of the environmental condition of the Project site been prepared within the last five years?

- yes no

If yes, please attach a copy.

V. PROJECT COSTS

A. Give an accurate estimate of the cost of each of the following items, specifying in each instance the best estimate of the portion of such costs to be financed with tax-exempt or taxable bond proceeds, if applicable:

	<u>TOTAL COST AND % BOND FINANCED</u>	
LAND*.....	<u>\$0</u>	<u>(0 %)</u>
ACQUISITION AND REHABILITATION COSTS:		
Existing Building**	<u>\$0</u>	<u>(0 %)</u>
Cost of Rehabilitation	<u>\$10,000</u>	<u>(0 %)</u>
COST OF NEW CONSTRUCTION:		
Construction of New Building /Site Work	<u>\$2,390,000</u>	<u>(0 %)</u>
New Additions to or Expansions of Existing of Existing Building.....	<u>\$0</u>	<u>(0 %)</u>
ENGINEERING/ARCHITECTURAL FEES	<u>see below</u>	<u>(0 %)</u>
MANUFACTURING EQUIP. TO BE INSTALLED...	<u>\$0</u>	<u>(0 %)</u>
OTHER EQUIP. TO BE INSTALLED/ACQUIRED	<u>\$600,000</u>	<u>(0 %)</u>
LEGAL FEES (Bank, Bond, Agency & Company Counsel).....	<u>see below</u>	<u>(0 %)</u>
FINANCIAL CHARGES (specify).....	<u>see below</u>	<u>(0 %)</u>
AGENCY FEES.....	<u>\$30,000</u>	<u>(0 %)</u>
OTHER FEES/CHARGES, etc. (specify): Engineering/architectural fees, legal fees (bank, agency and company counsel), financial charges, project operating costs and other soft costs	<u>\$250,000</u>	<u>(0 %)</u>
		<u>(0 %)</u>
TOTAL PROJECT COSTS:	<u>\$3,280,000</u>	<u>(0 %)</u>

AMOUNT OF BOND REQUESTED (if applicable): \$ _____

* **APPLICANTS FOR TAX-EXEMPT FINANCING NOTE:** If acquiring land, please note that federal law prohibits the use of 25% or more of tax-exempt bond proceeds for the purchase of land.

** **APPLICANTS FOR TAX-EXEMPT FINANCING NOTE:** If acquiring existing buildings, please note that federal law prohibits the acquisition of existing buildings with tax-exempt bond proceeds unless the rehabilitation expenses to be incurred with respect

to the building within three years are equal to or greater than 15% of the portion of the cost of acquiring the building that is financed with tax-exempt bond proceeds. Rehabilitation does not include any amount expended on new construction (additions or expansions). These provisions do not apply to "Civic Facilities" for 501(c)(3) organizations.

B. Method of financing costs:

	<u>AMOUNT</u>	<u>TERM</u>
1. Tax-exempt bond financing	\$ <u>N/A</u>	_____ years
2. Taxable bond Financing	\$ <u>N/A</u>	_____ years
3. IDA Sale/Leaseback with conventional financing***	\$ <u>Amt. pending</u>	_____ years
4. IDA Sale/Leaseback with Owner/User Financing	\$ <u>N/A</u>	_____ years
5. JDA or other governmental funding***	\$ <u>N/A</u>	_____ years
6. Other loans***	\$ <u>N/A</u>	_____ years
7. Company's/Owner's equity contribution	\$ <u>Amt. pending</u>	
TOTAL PROJECT COSTS:	<u>\$3,280,000</u>	

*** Copies of all commitments must be submitted to the Agency before drafting of any bond or transaction documents can begin.

C. **APPLICANTS FOR TAX-EXEMPT FINANCING:** Have any of the above costs, which are to be reimbursed out of tax-exempt bond proceeds, been paid or incurred (including contracts of sale or purchase orders) as of the date of this application?

yes no

If so, please give particulars, including dates paid or incurred on a separate sheet.

- D. **APPLICANTS FOR TAX-EXEMPT FINANCING:** Are costs of working capital, moving expenses, work in progress or stock in trade included in the proposed uses of the tax-exempt bond proceeds? Give details.

N/A

- E. Will any of the funds to be borrowed through the Agency be used to repay or refinance an existing mortgage, outstanding loan or outstanding bond issue? Give details.

N/A

- F. Has the Owner made any arrangements for the marketing or the purchase of the bond or bonds? If so, indicate with whom and provide copies of any commitments and/or term sheets.

N/A

VI. MEASURES OF GROWTH AND BENEFITS

- A. Please complete the chart below by indicating on line #1 the present number of full-time or equivalent employees and the annual payroll for all current facilities of the User. On line #2, please provide the information with respect to Tioga County facilities only. (If no facilities are currently in Tioga County, indicate "0.") On lines #3 and #4, provide projections of employment and payroll at the proposed Project in Tioga County for the first and second year after the Project's completion:

All current employees of Owner are being terminated by Owner on or before the commencement of the Project. Owner's employees whose termination occurs on the commencement date of the Project will be hired by User and User will also be adding additional hours and employees as a result of this Project, as set forth below. The following information relates to the Tioga Country Club site only and does not include User's employment or payroll information at Tioga Downs Casino and Resort.

		<u>Full Time or Equivalent Employees</u>	<u>Annual Payroll \$</u>
1.	PRESENT (At Project Site)	<u>0</u>	<u>\$0.00</u>
2.	PRESENT (At Project Site in Tioga County)	<u>0</u>	<u>\$0.00</u>
3.	FIRST YEAR (Tioga County Only)	3 full time year round 26 part-time/seasonal	<u>\$300,000</u>
4.	SECOND YEAR (Tioga County Only)	3 full time year round 28 part-time/seasonal	<u>\$325,000</u>

B. What, if any, will be the expected increase in the annual dollar amount of sales or business activity?

The increase in the annual dollar amount of sales or business activity is expected to be \$150,000, which represents a 25% increase, in the first year.

C. Describe, if applicable, other benefits anticipated as a result of this Project, including but not limited to job retention.

The benefits anticipated as a result of this Project include the retention of two full time (year-round) and 22 part time/seasonal employees who are being terminated by Owner on or before the commencement of the Project. Another benefit of the Project is that clubhouse demolition and new clubhouse construction will generate an average of 15 FTE construction/tradesman jobs for a period of approximately seven months. Improvements on the Project site will include a first class clubhouse facility unique in the local marketplace and this Project will result in increased tourist activity into Tioga County. Improvements to the golf course, clubhouse and food and beverage facilities will result in increased sales tax revenue for Tioga County and the local municipalities. In addition, as host community for the Tioga Downs Casino and Resort, of which this Project is a required ancillary component, Tioga County and local municipalities are anticipated to receive increased State aid.

VII. PROJECT CONSTRUCTION SCHEDULE

A. What is the proposed date for commencement of construction or acquisition of the Project?

December 2016

B. Give an accurate estimate of the time schedule to complete the Project and when the first use of the Project is expected to occur (use additional sheets if necessary).

The time schedule to complete the initial clubhouse construction, site improvements and equipment acquisitions will be approximately 24 months. The first use of the Project is expected to occur at the commencement of the 2017 golf season in March 2017 and the first use of the new clubhouse facility is expected to occur sometime thereafter.

C. At what time or times and in what amount or amounts is it estimated that funds will be required? Please provide your most accurate estimate.

N/A

VIII. WHAT TYPE OF FINANCIAL ASSISTANCE IS THE APPLICANT REQUESTING?

Standard PILOT

Deviation from Standard PILOT

If Deviation from Standard PILOT is requested, please explain _____

Tioga Downs seeks (i) a sales tax exemption on all new materials, furniture, fixtures, equipment, systems and golf carts and (ii) a 20-year PILOT, phasing in at the rate of by 5% per year the real property tax increase attributable to the net change in assessed valuation resulting from the replacement of the existing clubhouse with the new clubhouse construction and other Project improvements.

IX. ATTACH THE FOLLOWING FINANCIAL INFORMATION OF THE OWNER AND THE USER

- A. Financial statements for last two fiscal years (unless included in the Owner's or User's annual report).
- B. Owner's and User's annual reports (or Form 10-Ks) for the two most recent fiscal years.
- C. Quarterly reports (Form 10-Qs) and current reports (Form 8-Ks) since the most recent annual report, if any.
- D. In addition, if applicable, please attach the financial information described above in items A, B, and C of any expected guarantor of a proposed bond issue other than the Owner or the User.
- E. Upon the request of the Applicant, the Agency will review the information submitted pursuant to this Section VIII and return all copies to the Applicant within two weeks after the inducement date. Please indicate whether you require the information to be returned.

yes

no

BY SIGNING THIS APPLICATION, I CERTIFY THAT I HAVE READ AND UNDERSTOOD THE PROJECT POLICY MANUAL PROVIDED TO ME BY THE IDA AND AGREE TO COMPLY WITH THE TERMS AND CONDITIONS SET FORTH THEREIN.

SIGNATURE OF PERSON
COMPLETING APPLICATION



Name: Scott Freeman

Title: President

Company: Tioga Downs Racetrack, LLC

Date of Application: 9/30/2016