

# Project Summary Sheet

BelGioioso Sales Tax  
May 19, 2022

## Project Description

BelGioioso manufacturers Italian Cheeses and recently purchased the Upstate Farms Cheese facility in Campbell NY. The company intends to conduct substantial upgrades to the facility which has seen little investment by previous owners. The investments includes substantial upgrades to manufacturing equipment and facilities which are exempt from NY sales and use tax in addition to \$3,050,00 in taxable investments. The proposed upgrades are intended to create a cleaner more efficient work environment to allow for the proper and significant growth of the Polly-O Brand Cheese Products produced at the plant. Without IDA assistance the additional costs will not be able to be absorbed in the commodity pricing structure thus delaying the necessary investments.

**Total Project Investment** \$3,050,000

**Jobs Retained** 225

**Job Created** 0

**Benefit to Cost Ratio** 602:1

**Estimated PILOT Benefit** \$384,371

**Estimated Sales Tax Savings** \$244,000

**Mortgage Tax Benefit** \$0

**Total Savings** \$628,371

**Comments** The CBA calculation includes the remaining PILOT benefit which was recently transferred to the company to provide the board with a total view of the benefit to the community versus the cost of the incentives.

**Estimated Project Start Date** September 2022

**Estimated Project Completion Date** September 2023

## Evaluative Criteria for Manufacturing

### 1. Private Sector Investment

The proposed project will leverage \$3 million in private sector investment Upgrading the facility which was original constructed in 1938. These upgrades will provide additional efficiencies required to grow the brand.

### 2. Create or Retain Jobs

The project will help retain 225 jobs which is 75 jobs more than was originally committed by Upstate. Business growth expected as a result of this investment is expected to allow the company to continue to expand the operations helping increase the existing payroll.

No. 4603-22-02

Application To

**STEUBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY/  
STEUBEN AREA ECONOMIC DEVELOPMENT CORPORATION**  
For  
**FINANCIAL ASSISTANCE\*\***

**Section I: Applicant Information**

Please answer all questions. Use "None" or "Not Applicable" where necessary.

**A) Applicant Information-company receiving benefit:**

Applicant Name: BelGioioso Cheese Inc.

Applicant Address: 8600 Main St. Campbell, NJ

Phone: 920-863-2123 Fax: 518-374-2796

Website: www.belgioioso.com E-mail: dean.strobel@belgioioso.com

Federal ID#: 39-1324847 NAICS: \_\_\_\_\_

Will a Real Estate Holding Company be utilized to own the Project property/facility?  Yes or  No

What is the name of the Real Estate Holding Company: N/A

Federal ID#: 39-1324847

**B) Authorized Signatory:**

Name: Gustavo Badino

Title: VP

Address: 4200 Main St Green Bay, WI 54311

Phone: 920-863-2123 Fax: 920-863-3755

E-Mail: gustavo.badino@belgioioso.com

**C) Corporate Contact (if different from individual completing application):**

Name: See Gustavo Badino

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

E-Mail: \_\_\_\_\_

**D) Company Counsel:**

Name of Attorney: James Ledvina  
Firm Name: Law Firm of Conway, Olejniczak & Jerry, S.C.  
Address: 231 S. Adams Street Green Bay, WI 54305  
Phone: (920) 437-0476 Fax: (920) 437-2868  
E-mail: jml@lcojlaw.com

**E) 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)

**F) Business Organization (check appropriate category):**

Corporation  Partnership   
Public Corporation  Joint Venture   
Sole Proprietorship  Limited Liability Company   
Other (please specify) \_\_\_\_\_  
Year Established: 1979  
State in which Organization is established: Wisconsin

**G) List all stockholders, members, or partners with % of ownership greater than 20%:**

| <u>Name</u> | <u>% of ownership</u> |
|-------------|-----------------------|
| <u>N/A</u>  |                       |
|             |                       |
|             |                       |

**H) Applicant Business Description:**

Describe in detail company background, products, customers, goods and services. Description is critical in determining eligibility: Firm conducts the manufacturer of Quality Italian Cheeses under the Polly-O & other Brands from the Campbell, NY Cheese Facility it purchased on 6/30/22. Firm is looking to make substantial upgrades

Estimated % of sales within County/City/Town/Village: 5%

Estimated % of sales outside County/City/Town/Village, but within New York State: 55%

Estimated % of sales outside New York State but within the U.S.: 40%

Estimated % of sales outside the U.S.: \_\_\_\_\_

(\*Percentage to equal 100%)

D) What percentage of your total annual supplies, raw materials and vendor services are purchased from firms in County/City/Town Village: 65%

**Section II: Project Description & Details**

**A) Project Location:**

Municipality or Municipalities of current operations: Campbell

Provide the property address of the Proposed Project:

8600 Main St Campbell, NY 14821  
\_\_\_\_\_  
\_\_\_\_\_

**Will the Project result in the abandonment of one or more plants or facilities of the Project occupant located within the state?**

Yes or  No

If Yes, explain how, notwithstanding the aforementioned closing or activity reduction, the Agency's Financial Assistance is required to prevent the Project from relocating out of the State, or is reasonably necessary to preserve the Project occupant's competitive position in its respective industry: \_\_\_\_\_  
N/A  
\_\_\_\_\_  
\_\_\_\_\_

What are the current real estate taxes on the proposed Project Site? \$199,915 actual \$46,061 Pilot

If amount of current taxes is not available, provide assessed value for each:

Land: \$ N/A Buildings(s): \$ N/A

Are Real Property Taxes current?  Yes or  No. If no, please explain \_\_\_\_\_

Town/City/Village: Campbell School District: Campbell Savona

Does the Applicant or any related entity currently hold fee title to the Project site?  Yes or  No  
If No, indicate name of present owner of the Project Site: \_\_\_\_\_

Does Applicant or related entity have an option/contract to purchase the Project site?  Yes or  No

Describe the present use of the proposed Project site: N/A

**B) Please provide narrative of project and the purpose of the project (new build, renovations, and/or equipment purchases). Identify specific uses occurring within the project. Describe any and all tenants and any/all end users: (This information is critical in determining project eligibility):** \_\_\_\_\_  
Firm conducts the manufacture of Italian Cheese from the Campbell Cheese Facility it purchased on 6/30/22.  
Firm intends to conduct substantial upgrades to the Campbell Cheese Facility Building first completed in 1938.  
Upgrades to the building are intended to create a cleaner more efficient work environment that will allow for the proper & significant growth of the Polly-O Brand Cheese Products produced at the plant.

**Describe the reasons why the Agency's Financial Assistance is necessary, and the effect the Project will have on the Applicant's business or operations. Focus on competitiveness issues, project shortfalls, etc... Your eligibility determination will be based in part on your answer (attach additional pages if necessary):** All building upgrades are indirect impacts of manufacturing thus effecting Direct OH Costs.  
While these upgrades are necessary to provide room to grow the business and thus grow the use of Milk from the region, they will increase costs.  
Polly-O Cheese sells in a commodity driven market, that is experiencng record high costs, we can no longer pass these costs along to the consumer and expect growth,  
This creates the rationale to expand to allow growth, but mitigate cost exposure to not contract the rate of manufacturing growth, thus the need for the Sales Tax Incentive.

**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: \_\_\_\_\_

Without financial assistance from the agency the proposed investments will be assessed and prioritized based on need.

Based on the prioritization, investments may be delayed or not occur at all

If the Applicant is unable to obtain Financial Assistance for the Project, what will be the impact on the Applicant and County/City/Town/Village? \_\_\_\_\_  
Without the proposed Financial Assistance the investments could be delayed impacting future growth at the company

C) Will Project include leasing any equipment  Yes or  No

If Yes, please describe: \_\_\_\_\_

D) Site Characteristics:

Describe the present zoning/land use: Industrial

Will the Project meet zoning/land use requirements at the proposed location?  Yes or  No

If not, please describe required zoning/land use: N/A

If a change in zoning/land use is required, please provide details/status of any request for change of zoning/land use requirements: N/A

Is the proposed project located on a site where the known or potential presence of contaminants is complicating the development/use of the property? If yes, please explain: N/A

E) Provide any additional site information or details that may be applicable to the proposed project:

F) Select Project Type for all end users at project site (you may check more than one):

|                                  |                                     |                                 |                          |
|----------------------------------|-------------------------------------|---------------------------------|--------------------------|
| Industrial                       | <input checked="" type="checkbox"/> | Back Office                     | <input type="checkbox"/> |
| Acquisition of Existing Facility | <input type="checkbox"/>            | Retail                          | <input type="checkbox"/> |
| Housing                          | <input type="checkbox"/>            | Mixed Use                       | <input type="checkbox"/> |
| Equipment Purchase               | <input type="checkbox"/>            | Facility for Aging              | <input type="checkbox"/> |
| Multi-Tenant                     | <input type="checkbox"/>            | Civic Facility (not for profit) | <input type="checkbox"/> |
| Commercial                       | <input type="checkbox"/>            | Other _____                     | <input type="checkbox"/> |

Will customers personally visit the Project site for either of the following economic activities? If yes with respect to either economic activity indicated below, complete the Retail Questionnaire contained in Section III of the Application.

Retail Sales\*:  Yes or  No

Services\*:  Yes or  No

\*For purposes of this question, the term "retail sales" means (i) sales by a registered vendor under Article 28 of the Tax Law of the State of New York (the "Tax Law") primarily engaged in the retail sale of tangible personal property (as defined in Section 1101(b)(4)(i) of the Tax Law), or (ii) sales of a service to customers who personally visit the Project.

G) Project Information:

**Estimated costs in connection with Project:**

|   |                   |              |
|---|-------------------|--------------|
| 1. Land and/or Building Acquisition:                        | _____             | \$ _____     |
| _____ acres   | _____ square feet |              |
| 2. New Building Construction:                               | _____ square feet | \$ _____     |
| 3. New Building Addition(s):                                | _____ square feet | \$ _____     |
| 4. Reconstruction/Renovation:                               | 25000 square feet | \$ 1,750,000 |
| 5. Infrastructure Work:                                     |                   | \$ 1,250,000 |
| 6. Manufacturing Equipment:                                 |                   | \$ _____     |
| 7. Non-Manufacturing Equipment (furniture, fixtures, etc.): |                   | \$ _____     |
| 8. Soft Costs: (professional services, etc.):               |                   | \$ 50,000    |
| 9. Other, Specify: _____                                    |                   | \$ _____     |
| Total Project Costs:  |                   | \$ 3,050,000 |





*\*\* Note that the estimate provided above will be provided to the New York State Department of Taxation and Finance. The Applicant acknowledges that the transaction documents may include a covenant by the Applicant to undertake the total amount of investment as proposed within this Application, and that the estimate, above, represents the maximum amount of sales and use tax benefit that the Agency may authorize with respect to this Application. The Agency may utilize the estimate, above, as well as the proposed total Project Costs as contained within this Application, to determine the Financial Assistance that will be offered.*

**Real Property Tax Benefit:**

**IDA PILOT Benefit:** Agency staff will indicate the amount of PILOT Benefit based on estimated Project Costs as contained herein and anticipated tax rates and assessed valuation, including the annual PILOT Benefit abatement amount for each year of the PILOT benefit year and the sum total of PILOT Benefit abatement amount for the term of the PILOT as depicted in Section IV of the Application.

**Percentage of Project Costs financed from Public Sector sources:** Agency staff will calculate the percentage of Project Costs financed from Public Sector sources based upon Sources of Funds for Project Costs as depicted above in Section II(G) of the Application.

H) What is your Project timetable (provide dates):

1. Start date – acquisition of equipment or construction of facilities: 8/1/22
2. Estimated completion date of Project: 8/31/23
3. Project occupancy – estimated starting date of operations: 7/1/22
4. Have construction contracts been signed?  Yes or  No
5. Has financing been finalized?  Yes or  No

I) Have site plans been submitted to the appropriate planning department?

Yes or  No

If yes, has the Project received site plan approval from the planning department?

Yes or  No.

If yes, please provide the Agency with a copy of the related State Environmental Quality Review Act (“SEQRA”) determination that may have been required to be submitted along with a copy of the approved site plans.

Please provide the Agency with the status of any required planning department or other approval: N/A

J) Is the Project necessary to retain existing employment:  Yes or  No

Is the Project necessary to expand employment:  Yes or  No

K) Employment Plan (Specific to the proposed Project location):

|           | Current # of jobs at proposed project location or to be relocated to project location | IF FINANCIAL ASSISTANCE IS GRANTED - project the number of jobs to be RETAINED | IF FINANCIAL ASSISTANCE IS GRANTED - project the number of jobs to be CREATED after project completion |           |           | Estimate number of residents of the Labor Market Area in which the Project is located that will fill the jobs to be created after project completion* |           |           |
|-----------|---|--|--|-----------|-----------|---|-----------|-----------|
|           |   |  | 12 months  | 24 months | 36 months | 12 months   | 24 months | 36 months |
| Full Time |   | 225  |  |           |           |   |           |           |
| Part Time |   |  |  |           |           |   |           |           |
| Total FTE |   |  |  |           |           |   |           |           |

\*For purposes of this question, please estimate the number of FT and PT jobs that will be filled, as indicated in the third column, by residents of the Labor Marker Area, in the fourth column. The Labor Marker Area includes Steuben, Schuyler, Chemung, Yates, Allegany, and Livingston Counties.

Salary and Fringe Benefits for Jobs to be Retained and/or Created:

| Category of Jobs to be Retained and Created | Average Salary for Jobs Created | Average Fringe Benefits for Jobs Created | Average Salary for Jobs Retained | Average Fringe Benefits for Jobs Retained |
|---|---------------------------------|--|----------------------------------|---|
| Management                                  |                                 |  | \$83,000                         | \$41,500                                  |
| Professional                                |                                 |  |                                  |   |
| Administrative                              |                                 |  | \$38,000                         | \$19,000                                  |
| Production                                  |                                 |  | \$50,000                         | \$25,000                                  |
| Independent Contractor                      |                                 |  |                                  |   |
| Other                                       |                                 |  |                                  |   |

Employment at other locations in the state: (provide address and number of employees at each location):

|            | Address <i>300 Belvidere Blvd Glenville NY</i> | Address <i>12302</i> | Address |
|------------|--|----------------------|---------|
| Full time  | 50   |                      |         |
| Part Time  |  |                      |         |
| Total FTEs | 50   |                      |         |

*Please note: The Agency may utilize the foregoing employment projections, among other items, to determine the Financial Assistance that will be offered by the Agency to the Applicant. The Applicant acknowledges that the transaction documents may include a covenant by the Applicant to retain the number of jobs and create the number of jobs with respect to the Project as set forth in this Application.*

**Section III Retail Questionnaire**

**To ensure compliance with Section 862 of the New York General Municipal Law, the Agency requires additional information if the proposed Project is one where customers personally visit the Project site to undertake either a retail sale transaction or to purchase services.**

**Please answer the following:**

- A.** Will any portion of the project (including that portion of the cost to be financed from equity or other sources) consist of facilities or property that are or will be primarily used in making sales of goods or services to customers who personally visit the project site?

Yes or  No. If the answer is yes, please continue. If no, proceed to section IV.

For purposes of Question A, the term "retail sales" means (i) sales by a registered vendor under Article 28 of the Tax Law of the State of New York (the "Tax Law") primarily engaged in the retail sale of tangible personal property (as defined in Section 1101(b)(4)(i) of the Tax Law), or (ii) sales of a service to customers who personally visit the Project.

- B.** What percentage of the cost of the Project will be expended on such facilities or property primarily used in making sales of goods or services to customers who personally visit the project? \_\_\_\_\_ %.
- If the answer is less than 33% do not complete the remainder of the retail determination and proceed to section IV.**

If the answer to A is Yes **AND** the answer to Question B is greater than 33.33%, please answer the questions below:

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

If yes, please provide a third-party market analysis or other documentation supporting your response.

3. Is the predominant purpose of the project to make available goods or services which would not, but for the project, be reasonably accessible to the residents of the municipality within which the proposed project would be located because of a lack of reasonably accessible retail trade facilities offering such goods or services?

Yes or  No

If yes, please provide a third party market analysis or other documentation supporting your response.

4. 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 or  No.

If yes, explain \_\_\_\_\_

5. Is the project located in a Highly Distressed Area, as defined by the US Census Bureau?

Yes or  No

**Section IV: Estimate of Real Property Tax Abatement Benefits and Percentage of Project Costs financed from Public Sector sources**

Section IV of this Application will be: (i) completed by IDA Staff based upon information contained within the Application, and (ii) provided to the Applicant for ultimate inclusion as part of this completed Application.

Estimates provided are based on current property tax rates and assessed values.

**PILOT Estimate Table**

| Dollar Value of New Construction and Renovation Costs | Estimated New Assessed Value of Property* | County Tax Rate/1,000 | Local (town/village/city) Tax Rate/1,000 | School Tax Rate/1,000 |
|---|---|-----------------------|--|-----------------------|
|   |   |                       |  |                       |

\*Apply equalization rate to value

| Abatement Year | Current Taxes | New Without PILOT | Total Tax Liability | Proposed PILOT New | Total PILOT New + Existing | PILOT Savings |
|----------------|---------------|-------------------|---------------------|--------------------|----------------------------|---------------|
| N/A            |               |                   |                     |                    |                            |               |
|                |               |                   |                     |                    |                            |               |
|                |               |                   |                     |                    |                            |               |
|                |               |                   |                     |                    |                            |               |
|                |               |                   |                     |                    |                            |               |
|                |               |                   |                     |                    |                            |               |
|                |               |                   |                     |                    |                            |               |
|                |               |                   |                     |                    |                            |               |
|                |               |                   |                     |                    |                            |               |
|                |               |                   |                     |                    |                            |               |
| <b>Total</b>   |               |                   |                     |                    |                            |               |

## Section V Representations, Certifications and Indemnification

**This Section of the Application can only be completed upon the Applicant receiving, and must be completed after the Applicant receives, IDA Staff confirmation that Section I through Section IV of the Application are complete.**

\_\_\_\_\_ (name of CEO or other authorized representative of Applicant) confirms and says that he/she is the \_\_\_\_\_ (title) of \_\_\_\_\_ (name of corporation or other entity) named in the attached Application (the "Applicant"), that he/she has read the foregoing Application and knows the contents thereof, and hereby represents, understands, and otherwise agrees with the Agency and 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. Copies of all filings shall be provided to the Agency.
- D. 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, at least annually or as otherwise required by the Agency, reports regarding the number of people employed at the project site, salary levels, contractor utilization and such other information (collectively, "Employment Reports") that may be required from time to time on such appropriate forms as designated by the Agency. Failure to provide Employment Reports within 30 days of an Agency request shall be an Event of Default under the PILOT Agreement between the Agency and Applicant and, if applicable, an Event of Default under the Agent 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.

- E. The Applicant acknowledges that certain environmental representations will be required at closing. The Applicant shall provide with this Representation, Certification and Indemnification Form copies of any known environmental reports, including any existing Phase I Environmental Site Assessment Report(s) and/or Phase II Environmental Investigations. The Agency may require the Company and/or owner of the premises to prepare and submit an environmental assessment and audit report, including but not necessarily limited to, a Phase I Environmental Site Assessment Report and a Phase II Environmental Investigation, with respect to the Premises at the sole cost and expense of the owner and/or the Applicant. All environmental assessment and audit reports shall be completed in accordance with ASTM Standard Practice E1527-05, and shall be conformed over to the Agency so that the Agency is authorized to use and rely on the reports. The Agency, however, does not adopt, ratify, confirm or assume any representation made within reports required herein.
- F. The Applicant and/or the owner, and their successors and assigns, hereby release, defend and indemnify the Agency from any and all suits, causes of action, litigations, damages, losses, liabilities, obligations, penalties, claims, demands, judgments, costs, disbursements, fees or expenses of any kind or nature whatsoever (including, without limitation, attorneys', consultants' and experts' fees) which may at any time be imposed upon, incurred by or asserted or awarded against the Agency, resulting from or arising out of any inquiries and/or environmental assessments, investigations and audits performed on behalf of the Applicant and/or the owner pursuant hereto, including the scope, level of detail, contents or accuracy of any environmental assessment, audit, inspection or investigation report completed hereunder and/or the selection of the environmental consultant, engineer or other qualified person to perform such assessments, investigations, and audits.
- G. Hold Harmless Provision: The Applicant acknowledges and agrees that the Applicant shall be and is responsible for all costs of the Agency incurred in connection with any actions required to be taken by the Agency in furtherance of the Application including the Agency's costs of general counsel and/or the Agency's bond/transaction counsel whether or not the Application, the proposed Project it describes, the attendant negotiations, or the issue of bonds or other transaction or agreement are ultimately ever carried to successful conclusion and 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: (i) the Agency's examination and processing of, and action pursuant to or upon, the Application, regardless of whether or not the Application or the proposed Project described herein or the tax exemptions and other assistance requested herein are favorably acted upon by the Agency; (ii) the Agency's acquisition, construction and/or installation of the proposed Project described herein; and (iii) any further action taken by the Agency with respect to the proposed Project including, without limiting the generality of the foregoing, all causes of action and attorney's fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. Applicant hereby understands and agrees, in accordance with Section 875(3) of the New York General Municipal Law and the policies of the Agency that any New York State and local sales and use tax exemption claimed by the Applicant and approved by the Agency, any mortgage recording tax exemption claimed by the Applicant and approved by the Agency, and/or any real property tax abatement claimed by the Applicant and approved by the Agency, in connection with the Project, may be subject to recapture and/or termination by the Agency under such terms and conditions as will be established by the Agency and set forth in transaction documents to be entered into by and between the Agency and the Applicant. The Applicant further represents and warrants that the information contained in this Application, including without limitation information regarding the amount of the New York State and local sales and use tax exemption benefit, the amount of the mortgage recording

tax exemption benefit, and the amount of the real property tax abatement, if and as applicable, to the best of the Applicant's knowledge, is true, accurate and complete.

- H. This obligation includes an obligation to submit an Agency Fee Payment to the Agency in accordance with the Agency Fee policy effective as of the date of this Application
- I. By executing and submitting this Application, the Applicant covenants and agrees to pay the following fees to the Agency and the Agency's general counsel and/or the Agency's bond/transaction counsel, the same to be paid at the times indicated:
- (i) a non-refundable \$1,000 application and publication fee (the "Application Fee");
  - (ii) an amount equal to one percent (1%) of the total project costs, unless otherwise agreed to by the Agency; and
  - (iii) all fees, costs and expenses incurred by the Agency for (1) legal services, including but not limited to those provided by the Agency's general counsel and/or the Agency's bond/transaction counsel, thus note that the Applicant is entitled to receive a written estimate of fees and costs of the Agency's general counsel and the Agency's bond/transaction counsel; and (2) other consultants retained by the Agency in connection with the proposed project, with all such charges to be paid by the Applicant at the closing.
- J. If the Applicant fails to conclude or consummate the 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 Applicant is unable to find buyers willing to purchase the bond issue requested, or if the Applicant is unable to facilitate the sale/leaseback or lease/leaseback transaction, then, upon the presentation of an invoice, Applicant shall pay to the Agency, its agents, or assigns all actual costs incurred by the Agency in furtherance of the Application, up to that date and time, including but not necessarily limited to, fees of the Agency's general counsel and/or the Agency's bond/transaction counsel.
- K. The Applicant acknowledges and agrees that all payment liabilities to the Agency and the Agency's general counsel and/or the Agency's bond and/or transaction counsel as expressed in Sections H and I are obligations that are not dependent on final documentation of the transaction contemplated by this Application.
- L. The cost incurred by the Agency and paid by the Applicant, the Agency's general counsel and/or bond/transaction counsel fees and the processing fees, may be considered as a cost of the Project and included in the financing of costs of the proposed Project, except as limited by the applicable provisions of the Internal Revenue Code with respect to tax-exempt bond financing.
- M. 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.**
- N. The Applicant acknowledges that it has been provided with a copy of the Agency's Policy for Termination of Agency Benefits and Recapture of Agency Benefits Previously Granted (the "Termination and Recapture Policy"). The Applicant covenants and agrees that it fully understands that the Termination and Recapture Policy is applicable to the Project that is the



subject of this Application, and that the Agency will implement the Termination and 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.

- O. 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:

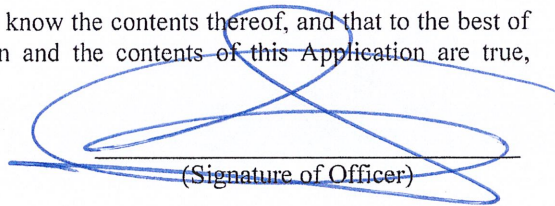
§ 862. Restrictions on funds of the agency. (1) No funds of the agency shall be used in respect of any project if the completion thereof would result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state or in the abandonment 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.

- P. 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.
- Q. 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.
- R. 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.
- S. In the event that (a) the Company does not proceed to final IDA approval within six (6) months of the date of the initial resolution and/or (b) close with the IDA on the proposed Financial Assistance within twelve (12) months of the date of the initial resolution, the IDA reserves the right to rescind and cancel all approvals provided.
- T. The Applicant and the individual executing this Application on behalf of Applicant acknowledge that the Agency and its counsel will rely on the representations and covenants made in this Application when acting hereon and hereby represents 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.
- U. The Applicant and the individual executing this Application on behalf of Applicant acknowledge receipt of notice from the Agency pursuant to Section 224-a(8)(d) of the New York Labor Law that the estimated mortgage recording tax exemption benefit amount, the estimated sales and use tax exemption benefit amount, and the estimated real property tax abatement benefit amount as so identified within this Application are "public funds" and not otherwise excluded under Section 224-a(3) of the New York Labor Law. Applicant further acknowledges and understands that it has certain obligations as related thereto pursuant to Section 224-a(8)(a) of the New York Labor Law.

STATE OF NEW YORK )  
COUNTY OF ) ss.:

Gustavo Bodino, being first duly sworn, deposes and says:

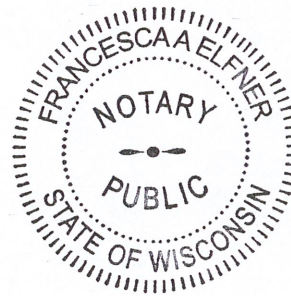
1. That I am the VP (Corporate Office) of Belproioso Cheese Inc. (Applicant) and that I am duly authorized on behalf of the Applicant to bind the Applicant.
2. That I have read the attached Application, I know the contents thereof, and that to the best of my knowledge and belief, this Application and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

  
(Signature of Officer)

Subscribed and affirmed to me under penalties of perjury  
this 21 day of JULY, 2022

Francesca A. Elfner  
(Notary Public)

Commission expires 4/29/2025



# Steuben County Industrial Development Agency

## MRB Cost Benefit Calculator



Date: July 21, 2022  
 Project Title: BelGioioso Cheese Sales Tax  
 Project Location: 8600 Main Street Campbell NY

### Economic Impacts

Summary of Economic Impacts over the Life of the PILOT

Project Total Investment  
 \$3,050,000

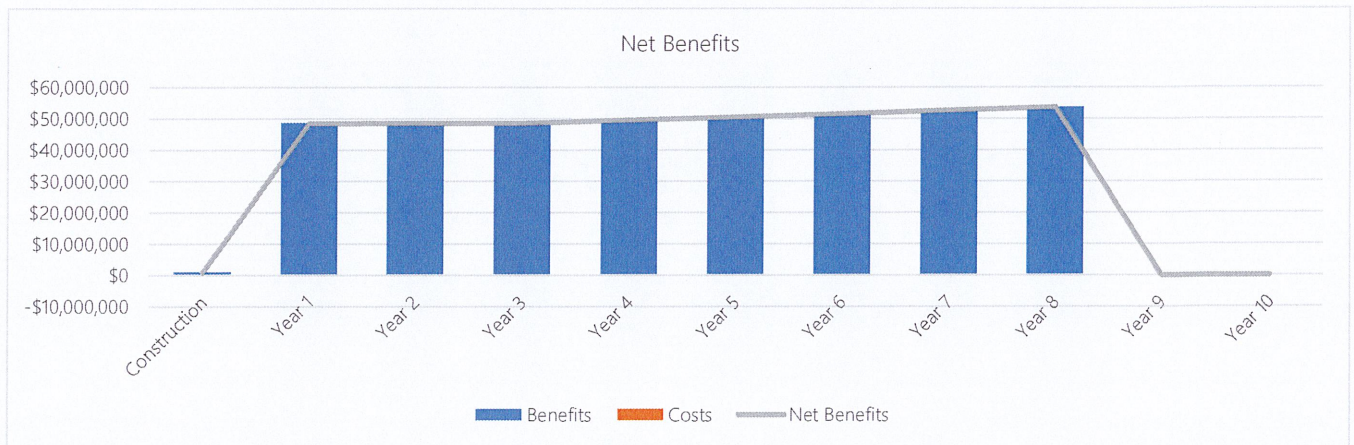
|             |  | Temporary (Construction) |           |             |
|-------------|--|--------------------------|-----------|-------------|
|             |  | Direct                   | Indirect  | Total       |
| Jobs        |  | 15                       | 3         | 18          |
| Earnings    |  | \$819,837                | \$174,028 | \$993,865   |
| Local Spend |  | \$1,982,500              | \$558,776 | \$2,541,276 |

|          |  | Ongoing (Operations) |               |               |
|----------|--|----------------------|---------------|---------------|
|          |  | Direct               | Indirect      | Total         |
| Jobs     |  | 225                  | 312           | 537           |
| Earnings |  | \$155,154,159        | \$226,172,967 | \$381,327,126 |

Aggregate over life of the PILOT

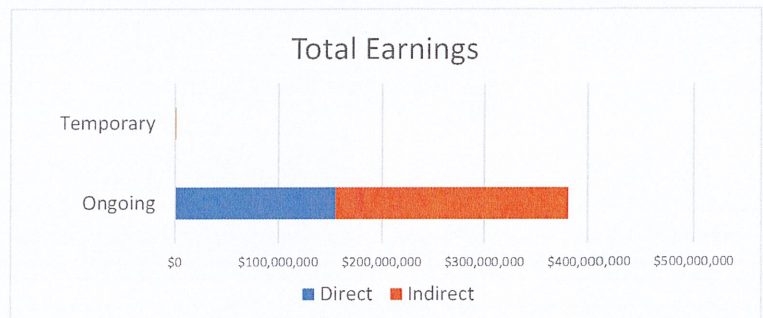
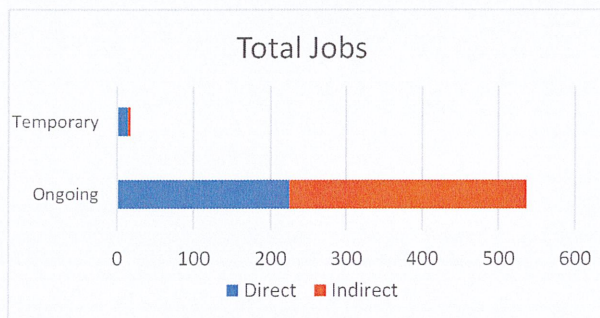
Figure 1



Net Benefits chart will always display construction through year 10, irrespective of the length of the PILOT.

Figure 2

Figure 3



## Fiscal Impacts

### Estimated Costs of Exemptions

|  | Nominal Value    | Discounted Value* |
|--|------------------|-------------------|
| Property Tax Exemption                 | \$384,371        | \$370,386         |
| Sales Tax Exemption                    | \$244,000        | \$244,000         |
| Local Sales Tax Exemption              | \$122,000        | \$122,000         |
| State Sales Tax Exemption              | \$122,000        | \$122,000         |
| Mortgage Recording Tax Exemption       | \$0              | \$0               |
| Local Mortgage Recording Tax Exemption | \$0              | \$0               |
| State Mortgage Recording Tax Exemption | \$0              | \$0               |
| <b>Total Costs</b>                     | <b>\$628,371</b> | <b>\$614,386</b>  |

### State and Local Benefits

|   | Nominal Value        | Discounted Value*    |
|---|----------------------|----------------------|
| <b>Local Benefits</b>                       | <b>\$384,612,866</b> | <b>\$351,689,700</b> |
| To Private Individuals                      | \$382,320,990        | \$349,612,796        |
| Temporary Payroll                           | \$993,865            | \$993,865            |
| Ongoing Payroll                             | \$381,327,126        | \$348,618,932        |
| Other Payments to Private Individuals       | \$0                  | \$0                  |
| To the Public                               | \$2,291,876          | \$2,076,904          |
| Increase in Property Tax Revenue            | (\$384,371)          | (\$370,386)          |
| Temporary Jobs - Sales Tax Revenue          | \$6,957              | \$6,957              |
| Ongoing Jobs - Sales Tax Revenue            | \$2,669,290          | \$2,440,333          |
| Other Local Municipal Revenue               | \$0                  | \$0                  |
| <b>State Benefits</b>                       | <b>\$19,880,691</b>  | <b>\$18,179,865</b>  |
| To the Public                               | \$19,880,691         | \$18,179,865         |
| Temporary Income Tax Revenue                | \$44,724             | \$44,724             |
| Ongoing Income Tax Revenue                  | \$17,159,721         | \$15,687,852         |
| Temporary Jobs - Sales Tax Revenue          | \$6,957              | \$6,957              |
| Ongoing Jobs - Sales Tax Revenue            | \$2,669,290          | \$2,440,333          |
| <b>Total Benefits to State &amp; Region</b> | <b>\$404,493,557</b> | <b>\$369,869,566</b> |

### Benefit to Cost Ratio

|                    | Benefit*             | Cost*            | Ratio        |
|--------------------|----------------------|------------------|--------------|
| Local              | \$351,689,700        | \$492,386        | 714:1        |
| State              | \$18,179,865         | \$122,000        | 149:1        |
| <b>Grand Total</b> | <b>\$369,869,566</b> | <b>\$614,386</b> | <b>602:1</b> |

\*Discounted at 2%

### Additional Comments from IDA

BelGioioso manufacturers Italian Cheeses and recently purchased the Upstate Farms Cheese facility in Campbell NY. The company intends to conduct substantial upgrades to the facility which has seen little investment by previous owners. The investments includes substantial upgrades to manufacturing equipment and facilities which are exempt from NY sales and use tax in addition to \$3,050,00 in taxable investments. The proposed upgrades are intended to create a cleaner more efficient work environment to allow for the proper and significant growth of the Polly-O Brand Cheese Products produced at the plant. Without IDA assistance the additional costs will not be able to be absorbed in the commodity pricing structure thus delaying the necessary

Does the IDA believe that the project can be accomplished in a timely fashion? Yes