

**KARPINSKI, STAPLETON, GALBATO & TEHAN, P.C.**

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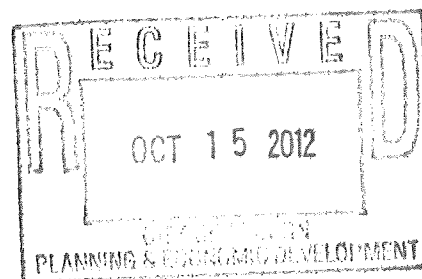
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October 15, 2012

**Via Hand Delivery**

Auburn Industrial Development Authority  
c/o Jennifer Haines, Director  
Office of Planning and Economic Development  
City of Auburn  
24 South Street  
Auburn, New York 13021



**Re: Calamar-R M 11Holdings, LLC/Calamar Realty Fund I A, LLC  
Proposed Senior Housing Development**

Dear Ms. Haines:

Enclosed herein please find the Application for Industrial Development Revenue Bond Financing and Leaseback Transactions (hereinafter "Application"), requesting a ten (10) year PILOT. The following documentation is submitted in support of the Application:

- A. Project Sketch and Floor Plans;
- B. Fact Sheet;
- C. Photos of Proposed Site;
- D. Financials for 2009, 2010 and 2011 Calamar Realty Fund I A, LLC;
- E. Expenditure and Balance Sheet Upon Start of Operations;
- F. Market Analysis prepared by GAR Assictaes, Inc.

Also enclosed is Check No. 389 in the sum of \$250.00 representing the application fee.

This application is submitted as a new Application and is not intended to supplement any previous submission by Calamar. We would be obliged if you would present the within Application for acceptance to the Auburn Industrial Development Authority and subsequently for a public hearing.

**Auburn Industrial Development Authority**

**c/o Jennifer Haines, Director**

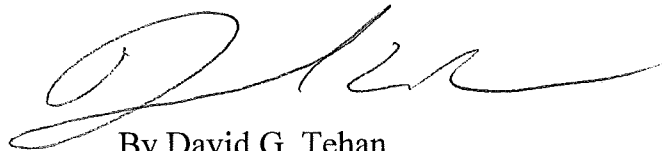
**October 15, 2012**

**Page 2**

We look forward to presenting the within application to the Board of the Auburn Industrial Development Authority. Should you require any additional information or have any questions, please advise.

Sincerely yours,

KARPINSKI, STAPLETON,  
GALBATO & TEHAN, P.C.

A handwritten signature in black ink, appearing to read 'D. Tehan', with a long horizontal flourish extending to the right.

By David G. Tehan  
[dtehan@ksgtlaw.com](mailto:dtehan@ksgtlaw.com)

DGT/sf/encl

cc: Calamar Realty Fund I A, LLC (c/o Jocelyn Bos)

**APPLICATION  
FOR  
INDUSTRIAL DEVELOPMENT  
REVENUE BOND FINANCING  
AND  
LEASEBACK TRANSACTIONS**

**IMPORTANT NOTICE:** The answers to the questions contained in this Application are necessary to determine your firm's eligibility for financing, tax exemptions and other assistance from the Auburn Industrial Development Authority (the "Authority"). 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 Authority.

TO: **AUBURN INDUSTRIAL DEVELOPMENT AUTHORITY**  
24 South Street Memorial  
City Hall Auburn, New  
York 13021

This application by Applicant respectfully states:

APPLICANT: Calamar-RM 11Holdings LLC./Calamar Realty Fund 1A, LLC

APPLICANT'S

ADDRESS: 3949 Forest Parkways; Suite 100 CITY: Wheatfield STATE: NY ZIP: 14120

NAME OF PERSON(S) AUTHORIZED TO SPEAK FOR APPLICANT WITH RESPECT TO THIS

APPLICATION: Jocelyn Bos TELEPHONE NO: 716-693-0006 FAX NO: 716-693-3590

E-MAIL ADDRESS: jobs@calamar.com

**APPLICANT'S ATTORNEY:**

NAME OF FIRM: Harold Halpern, Esq.

NAME OF

ATTORNEY: Harold Halpern, Esq

ATTORNEY'S

ADDRESS: 3949 Forest Parkway; Suite 100

CITY: Wheatfield STATE: NY ZIP: 14120

TELEPHONE NO: 716-693-0006 FAX NO: 716-693-3590 E-MAIL ADDRESS: hhalpern@calamar.com

**APPLICANT'S ACCOUNTANT:**

NAME OF FIRM: Anthony B Smolen cpa

NAME OF

ACCOUNTANT: Anthony B Smolen

ACCOUNTANT'S

ADDRESS: 3949 Forest Parkways; Suite 100

CITY: Wheatfield STATE: NY ZIP: 14120

TELEPHONE NO: 716-693-0006 FAX NO: 716-693-3590 E-MAIL ADDRESS: asmolen@calamar.com

**NOTE:** PLEASE READ THE INSTRUCTIONS ON PAGE 2 HEREOF BEFORE FILLING OUT THE REST OF THIS APPLICATION.

## INSTRUCTIONS

1. The Authority will not approve any application unless, in the judgment of the Authority, said application contains sufficient information upon which to base a decision whether to approve or tentatively approve the project contemplated herein (the "**Project**").
2. Fill in all blanks, using "none" or "not applicable" or "N/A" where the question is not appropriate to 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 Authority at the address indicated on the first page of this application.
6. The Authority will not give final approval to this application until the Authority receives a completed Environmental Assessment Form (EAF) concerning the Project.
7. Please note that Article 6 of the New York Public Officers Law declares that all records in the possession of the Authority (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 Authority all actual costs incurred in connection with this application and the Project (to the extent such expenses are not paid out of the proceeds of the Authority's bonds issued to finance the Project, if applicable). The costs incurred by the Authority, including the Authority's general counsel, bond counsel and/or special counsel, if any, may be considered as a part of the Project and included as a part of the resultant bond issue.
9. The Authority has established an administrative fee to be paid by the Applicant upon successful conclusion of the sale of the bonds or the leaseback transaction, as applicable, said fee being intended to cover the indirect expenses incurred by the Authority in administering the Project. The administrative fee will be the following amount: (a) for bond transactions, 3/4 of 1% of the aggregate principal amount of the bonds issued with respect to the Project, (b) for leaseback transactions, 1% of the Total Project Costs as set forth in Section V(A) of this Application, or (c) such other amount as is agreed to by the Authority on a case-by-case basis. **UNLESS THE AUTHORITY AGREES IN WRITING TO THE CONTRARY, THE ADMINISTRATIVE FEE IS REQUIRED TO BE PAID AT OR PRIOR TO THE ISSUANCE OF THE BONDS OR THE GRANTING OF ANY FINANCIAL ASSISTANCE, AS APPLICABLE.**
10. The Authority has established an application fee of Two Hundred Fifty and 00/100 Dollars (\$250) to cover the anticipated costs of the Authority in processing this application. A check or money order made payable to the Authority must accompany each application. **THIS APPLICATION WILL NOT BE ACCEPTED BY THE AUTHORITY UNLESS ACCOMPANIED BY THE APPLICATION FEE.**

I. **INFORMATION CONCERNING THE PROPOSED OCCUPANT OF THE PROJECT  
(HEREINAFTER REFERRED TO AS THE "COMPANY").**

A. Identity of Company.

1. Company Name: RM 11 Holdings LLC/Calamar Realty Fund IA, LLC  
Present Address: 3949 Forest Parkways; Suite 100  
City: Wheatfield State: NY Zip: 14120  
Employer's Federal ID No.: \_\_\_\_\_ NAICS Code No.: \_\_\_\_\_
2. If the Company differs from the Applicant, give details of relationship:  
\_\_\_\_\_  
\_\_\_\_\_
3. Indicate the type of business organization of Company:
  - a. ☐ Corporation. If so, incorporated in what country? \_\_\_\_\_; What State? \_\_\_\_\_; Date Incorporated \_\_\_\_\_; Type of Corporation? \_\_\_\_\_; Authorized to do business in New York? ☐ Yes ☐ No; Date so authorized \_\_\_\_\_.
  - b. ☒ Limited Liability Company. If so, State of organization? New York; Date Organized 7/17/2012; Authorized to do business in New York? Yes; Date so authorized 7/17/2012 Number of members 1.
  - c. ☐ Partnership. If so, indicate type of partnership \_\_\_\_\_; Number of general partners \_\_\_\_\_; Number of limited partners \_\_\_\_\_.
  - d. ☐ Sole proprietorship.
  - e. ☐ Other. Please explain \_\_\_\_\_  
\_\_\_\_\_.
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: Calamar Realty Fund, IA, LLC sponsor and 60% owner  
\_\_\_\_\_  
\_\_\_\_\_.
5. Is the Applicant a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code? ☐ Yes; ☒ No. If yes, please attach the Applicant's Determination Letter from the Internal Revenue Service with respect to such status. Has the Applicant received any notice indicating that its exempt status is under investigation or subject to revocation? ☐ Yes; ☒ No. If yes, please explain and attach relevant correspondence.  
\_\_\_\_\_  
\_\_\_\_\_.

B. Management of Company.

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

<i>NAME</i>	<i>HOME ADDRESS</i>	<i>OFFICE HELD</i>	<i>OTHER PRINCIPAL BUSINESS AFFILIATIONS</i>
Kenneth Franasiak	2100 River Road; Niagara Falls, NY	Managing Agent	RM 11 Holdings LLC

2. Is the Company or management of the Company now a plaintiff or a defendant in any civil or criminal litigation? o Yes; **X** No.
3. Has any person listed above ever been convicted of a criminal offense (other than a minor traffic violation?) o Yes; **X** No.
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? o Yes; **X** No.
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 the Company publicly held? o Yes; **X** No. If yes, please list exchanges where stock of the Company is traded: \_\_\_\_\_.
2. If "No", list all stockholders having a 5% or more interest in the Company:

<i>NAME</i>	<i>HOME ADDRESS</i>	<i>PERCENTAGE OF HOLDING</i>
Gary D'Matteo	7122 Larry Ct. No. Tonawanda, NY 14120	9.45%
Spartan Dev. LLC	5800 Main Street, Williamsville, NY 14221	17.33%
Calamar Enterprises	3949 Forest Parkway, suite 100; Wheatfield, NY 14120	60.07%

D. Company's principal bank(s): \_\_\_\_\_  
\_\_\_\_\_  
**First Niagara**  
\_\_\_\_\_

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

\_\_\_\_\_  
**No Conflict of Interest**  
\_\_\_\_\_  
\_\_\_\_\_

II. **INFORMATION CONCERNING PERSON(S) TO WHOM THE COMPANY INTENDS TO LEASE OR SUBLEASE THE PROJECT (HEREINAFTER REFERRED TO AS THE "SUBLESSEES").** Please give the following information with respect to each Lessee or Sublessee to whom the Company intends to lease or sublease more than 10% (by area or fair market rental value) of the Project:

A. Sublessee Name: Not Applicable

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

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Employer's Federal ID No.: \_\_\_\_\_ NAICS Code No.: \_\_\_\_\_

Sublessee is: ☐ Corporation; ☐ Limited Liability Company; ☐ 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) detail and (b) the answers to questions III(F)(4) through (6) with respect to each Sublessee.

B. Sublessee Name: \_\_\_\_\_

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

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Employer's Federal ID No.: \_\_\_\_\_ NAICS Code No.: \_\_\_\_\_

Sublessee is: ☐ Corporation; ☐ Limited Liability Company; ☐ 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) detail and (b) the answers to questions III(F)(4) through (6) with respect to each Sublessee.

C. Sublessee Name: \_\_\_\_\_

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

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Employer's Federal ID No.: \_\_\_\_\_ NAICS Code No.: \_\_\_\_\_

Sublessee is: ☐ Corporation; ☐ Limited Liability Company; ☐ 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) detail and (b) the answers to questions III(F)(4) through (6) with respect to each Sublessee.



III.

**DATA REGARDING PROPOSED PROJECT.**

- A. Description of the Project. (Please provide a brief narrative description of the Project.)
- WE intend on developing and managing 110 units of Senior Independent Living Apartments
- 
- designed to serve the middle income level individuals. These apartments ( 29-1 bedroom, 30-2 bedroom/1 bath, and 51-2 bedroom/ 1 ½ baths) will be rented to individual's ages 55 years and
- 
- older, with income in the 25,000-60,000 range. The apartments' rent will include heat, basic cable, washers/dryers in each apartment , water and sewer.
- Coordinated with the assistance of the full time manger, events, activities, speakers food delivery services exercise instruction, cleaning services will be coordinated as requested with local companies currently operating in the City of Auburn. All services are part of our SELF program (Seniors Empowered to Live Life to the Fullest)
- Construction Costs: 9.2 million-We will have an on-site superintendent, while all work will be bid out to local contractors in each discipline (site work, electricians, plumbers, painters etc.) We anticipate approx 200 jobs will be created during the 12 month construction time.....Supplies purchased from local vendors during construction is anticipated to be approx. 2.5 million. An additional 150,000 will be used to furnish the common areas of the complex itself.
- Ongoing operations will include 2.0 full time employees (site manager and maintenance personnel; while also engaging local workers for grounds, maintenance items and security monitoring ( average annual cost=140,000.00). It is anticipated that the ongoing expenses of local labor equate to 8.5 pt jobs
- In a market study completed by Gar Associates: there is a net demand of 1200 households out of the 11,676 seniors ages 62 years and older who fall with-in this income range....hence we are meeting approx. 10 % of the identified need.
- 

- B. Location of the Project.
1. Street Address: 136 Standart Ave., North Lewis and Caitlin Ave.
  2. City: Auburn
  3. Town: \_\_\_\_\_
  4. Village: \_\_\_\_\_
  5. School District: Auburn
  6. Fire District: Auburn
  7. County: Cayuga
  8. Property Tax Identification No.: 109.79-1-9/109.79-1-13/109.79-1-47/116.23-1-14

- C. Description of the Project site.
1. Approximate size (in acres or square feet) of the Project site: 14 acres. Is a map, survey or sketch of the Project site attached? ☒ Yes; o No.
  2. Are there existing buildings on the Project site? ☒ Yes; o No.
    - a. If yes, indicate the number of buildings on the site: 1 house on Caitin. Also, please briefly identify each existing building and indicate the approximate size (in square feet) of each such existing building:
 

---

1500 plus or minus square foot house located at 9 Caitlin Street (116.23-1-14)  
4 bedroom/2 bath Rental house owned by Mr. Bouck.

---
    - b. Are the existing buildings in operation? ☒ Yes; o No. If yes, describe present use of such buildings: \_\_\_\_\_  
4 bedroom/2 bath Rental house owned by Mr. Bouck
    - c. Are the existing buildings abandoned? o Yes; ☒ No. About to be abandoned? ☒ Yes; o No. If yes, describe: \_\_\_\_\_  
Mr. Bouck, the current owner, has a month to month lease with

current tenants.

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. d. Attach photograph of present buildings.

3. Utilities serving the Project site:

Water-Municipal: Auburn

Other (describe): \_\_\_\_\_

Sewer-Municipal: Auburn

Other (describe): \_\_\_\_\_

Electric-Utility: New York State Electric and Gas

Other (describe): \_\_\_\_\_

Heat - Utility: New York State Electric and Gas

Other (describe): \_\_\_\_\_

4. Present legal owner of the Project site: Flummerfelt, B; Flummerfelt, John; Potter, Florence; Bouck, John

a. If the Company (or any Sublessee) owns the Project site, indicate date of purchase: \_\_\_\_\_; purchase price: \$ \_\_\_\_\_.

b. If the Company does not own the Project site, does the Company (or any Sublessee) have an option signed with the owner(s) to purchase the Project site? **X** Yes; o No. If yes, indicate date option signed with the owner(s): 11/23/2011; date the option expires: 2/23/2013.

c. If the Company (or any Sublessee) does not own the Project site, is there a relationship legally or by common control between the Company (or any Sublessee) and the present owner(s) of the Project site? o Yes; o No. If yes, describe in detail on separate attachment.

5. a. Zoning District in which the Project is located: R-1.

b. Are there any variances or special permits affecting the Project site? **X** Yes; o No. If yes, list below and attach copies of all such variances or special permits: Height Variance-4/23/12 and Use Variance-4/23/12 and 5/21/12

6. Will any portion of the Project be located outside the geographical boundaries of the City of Auburn? o Yes; **X** No. If yes, what other municipality is the Project partially located in? \_\_\_\_\_. Is the portion of the Project located outside the City of Auburn contiguous with the portion of the Project inside the City of Auburn? oYes; oNo.

D. Description of Proposed Construction.

1. Does part of the Project consist of the acquisition or construction of a new building or buildings? **X** Yes; o No. If yes, indicate number and size of new buildings: One three story building consisting of 11 independent Living apartments with a total Square footage of 113,388 SF

2. Does part of the Project consist of additions and/or renovations to the existing buildings located on the Project site? o Yes; **X** No. 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, renovated or expanded: Senior Living Independent Community

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; ☐ No. If yes, describe the Equipment: Residential sized heating/cooling equipment and hot water tanks for entire structure. Washers/dryers/stoves/refrigerators and dish washers in each apartment and the common area kitchen will be provided..
2. With respect to the Equipment to be acquired, will any of the Equipment be Equipment which has previously been used? ☐ Yes; ☒ No. If yes, please provide detail:
3. Describe the principal uses to be made by the Company of the Equipment to be acquired or installed: Residential use

F. Project Use.

1. What are the principal products to be produced at the Project? This project is residential meeting a need of the community.
2. What are the principal activities to be conducted at the Project? Rental and activities for the seniors living here.
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. 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 counties of Cayuga, Onondaga, Madison, Cortland and Oswego? o Yes; **X** No. If yes, please explain: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_.

c. Would the Project occupant, but for the contemplated financial assistance from the Authority, locate the related jobs outside the State of New York? **X** Yes; o 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 reasonably accessible to the residents of the City of Auburn; because of a lack of reasonably accessible retail trade facilities offering such goods or services? **X** Yes; o No. If yes, please provide detail: \_\_\_\_\_

This complex will be the only senior rental project serving the middle income residents of Auburn and surrounding areas.

\_\_\_\_\_.

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? o Yes; **X** No. If yes, please explain: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_.

6. If the answers to any of subparagraphs 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? **X** Yes; o No. If yes, please explain: \_\_\_\_\_

**During the 12 month Construction 200 jobs will be created and supported by this development, after receiving the Certificate of Occupancy 2 full time jobs will be held by the apartment Manager and Maintenance technician. \$140,000 additional monies will be spent hiring local tradespersons in the landscaping/grounds keeping, plumbing, electrical and security fields ( anticipated 8.5ptime ongoing local personnel).**

\_\_\_\_\_.

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? o Yes; **X** No. If yes, please explain: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_.

8. Will the completion of the Project result in abandonment of one or more plants or facilities of the Company located in the State of New York? o Yes; **X** No. If yes, please provide detail: \_\_\_\_\_

9. If the answer to either question 7 or 8 is yes, indicate whether any of the following apply to the Project: **NOT APPLICABLE**

- a. Is the Project reasonably necessary to preserve the competitive position of the Company or such Project Occupant in its industry? o Yes; o 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? o Yes; o 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? **X** Yes; o No. If yes, please discuss in detail the approximate stage of such acquisition: \_\_\_\_\_

**Hard Deposits have been placed on the purchase agreements and Title Work has been completed in order to bring about a rapid closing of the properties.** \_\_\_\_\_

2. If the Project includes the acquisition of any Equipment, have any steps been taken toward acquiring same? o Yes; **X** 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? o Yes; **X** No. If yes, please discuss in detail the approximate extent of construction and the extent of completion. Indicate in your answer whether specific steps have been completed, such 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: \_\_\_\_\_

**\$375,000.00-Deposit on land, legal expenses, architectural work, civil engineering work, surveys. Environmental studies, Phase I environmental studies, sub-soil tests, traffic studies etc., as submitted to the City of Auburn for the SEQR process.**  
**The Neg Dec was received on 5/21/2012 by the planning board**

H. Method of Construction After Authority Approval. If the Authority approves the Project, there are two methods that may be used to construct the Project. The Applicant can construct the Project privately and sell the Project to the Authority upon completion. Alternatively, the Applicant can request to be appointed as "agent" of the Authority for purposes of constructing the Project, which request, if approved, will result in the Applicant constructing the Project as "agent" of the Authority, in which case certain laws applicable to public construction will apply to the Project. Does the Applicant anticipate that in the future the Company may wish to request being designated as "agent" of the Authority for purposes of construction of the Project? ☒ Yes; ☐ No.

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 the 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.

**During the 12 month Construction 200 jobs will be created and supported by this development, after receiving the Certificate of Occupancy 2 full time jobs will be held by the apartment Manager and Maintenance technician.**

**\*\*-\$140,000 additional monies will be spent hiring local tradespersons in the landscaping/grounds keeping, plumbing, electrical and security fields.**

TYPE OF EMPLOYMENT				
	PROFESSIONAL, MANAGERIAL OR TECHNICAL	SKILLED	UNSKILLED OR SEMI-SKILLED	TOTALS
Present Full Time				
Present Part Time				
Present Seasonal				
First Year Full Time	1.0 FTE		1.0 fte	2.0 FTE
First Year Part Time				
First Year Seasonal				
Second Year Full Time	1.0 FTE	1.0 FTE		2.0 FTE
Second Year Part Time			8.5 **	8.5 **
Second Year Seasonal				

V. **PROJECT COST.**

A. 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, including any utilities, access roads or appurtenant

{H0473877.2}

facilities, using the following categories:

<u>Description of Cost</u>	<u>Amount</u>
Land	\$ <u>265,000.00</u>
Buildings	\$ <u>9,269,688.00</u>
Machinery and Equipment costs	\$ <u>225,000.00</u>
Utilities, roads and appurtenant costs	\$ <u>part of construction costs</u> (site work anticipated to be 1.7 million)
Architects and engineering fees (includes dev personnel costs)	\$ <u>748,454.00</u>
Costs of financing (legal, financial and printing)	\$ <u>278,400.00</u>
Construction loan fees and interest	\$ <u>266,500</u>
Other (specify)	
<u>marketing/signage</u>	\$ <u>150,000</u>
<u>real estate taxes</u>	\$ <u>12,000</u>
<u>equip/furniture/lease up</u>	\$ <u>151,500</u>
<u>Insurances</u>	\$ <u>35,000.00</u>
<b>TOTAL PROJECT COSTS</b>	\$ <u>11,181,542.00</u>

- B. Have any of the above expenditures already been made by the Applicant? ☒ Yes; ☐ No. If yes, indicate particulars:

\$375,000.00-Deposit on land, legal expenses, architectural work, civil

engineering work, surveys. Environmental studies, Phase I environmental studies, sub-soil tests, traffic studies etc., as submitted to the City of Auburn for the SEQR process

- C. Amount of financial assistance requested: \_\_\_\_\_ Dollars;  
Maturity requested: \_\_\_\_\_ Years.

- D. Has the Applicant made any arrangements for the marketing or purchase of the proposed bond issue? ☐ Yes; ☒ No. If yes, please explain: \_\_\_\_\_

- E. Does the Applicant intend to designate the bonds as "qualified tax-exempt obligations" within the meaning of Section 265(b) of the Internal Revenue Code? ☐ Yes; ☒ No. If yes, please provide name of financial institution and details of transaction: \_\_\_\_\_

- F. Will the proceeds of the bonds be used to finance or refund any prior industrial development bond or private activity bond issued by the Authority with respect to the Project? ☐ Yes; ☒ No. If yes, please provide details of prior bond issuance: \_\_\_\_\_

- G. Will the proceeds of the bonds be used to finance or refund any existing mortgage, loan or other

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indebtedness with respect to the Applicant or the Project? ☐ Yes; ☐ No. If yes, please provide details of prior obligations: Not Applicable

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- H. Does the Applicant, any affiliate of the Applicant, or any user of the Project, currently have outstanding any bonds, notes or other obligations, the interest on which is, or is claimed to be, exempt from federal taxation under Section 103 of the Internal Revenue Code? Yes; ☒ No. If yes, please provide details: \_\_\_\_\_
-

VI. **FINANCIAL ASSISTANCE EXPECTED FROM THE AUTHORITY.**

- A. 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 Authority? ☒ Yes; o No. If yes, is the real property tax exemption being sought consistent with the Authority's Uniform Tax Exemption Policy? o Yes; ☒ No.
- B. Is the Applicant expecting the financing of the Project to be secured by one or more mortgages? ☒ Yes; o No. If yes, what is the approximate amount of financing to be secured by the mortgage(s)? \$ 9,600,000.00.
- C. Is the Applicant expecting to be appointed agent of the Authority for purposes of avoiding payment of New York State Sales Tax and Compensating Use Taxes? ☒ Yes; o No. If yes, what is the approximate amount of purchases which the Applicant expects to be exempt from the New York State Sales and Compensating Use Taxes? **\$ 312,406 (3,905,070 @ 8%)**

- D. 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.

1.	N.Y.S. Sales and Compensating Use Taxes:	<u>\$ 312,406.00</u>
2.	Mortgage Recording Taxes:	<u>\$ 72,000</u>
3.	Real Property Tax Exemptions:	<u>\$ \$1,294,583.00</u>
4.	Other (please specify):	<u>\$</u>
		<u>\$</u>

- E. Are any of the tax exemptions being sought in connection with the Project inconsistent with the Authority's Uniform Tax Exemption Policy? ☒ Yes; o No. If yes, please explain how the request of the Applicant differs from the Authority's Uniform Tax Exemption Policy: \_\_\_\_\_

VII. **OTHER GOVERNMENTAL INVOLVEMENT.**

- A. Has the Applicant contacted any other governmental agency with regard to the Project? o Yes; ☒ No. If yes, indicate the agency and the nature or the inquiry: \_\_\_\_\_
- B. Does the Applicant have any agreement to subsequently contract with a municipality for the lease or purchase of all or part of the Project? o Yes; ☒ No. If yes, please explain: \_\_\_\_\_

VIII. **FINANCIAL INFORMATION:** (Please attach the following to the Application):

- A. Certified or reviewed Financial Statements of the Applicant (and of any expected guarantor of the bond issue) for the last three fiscal years.
- B. Pro forma balance sheet as of the start of operations at the Project site.
- C. Projected profit and loss statements for the first two years of operation at the Project site.
- D. Projected quarterly cash flow statement for the Project for the first year of operation at the Project site.

IX. **HOLD HARMLESS AGREEMENT.** Applicant hereby releases the Authority and the members, officers, servants, agents (other than the Company) and employees thereof from, agrees that the Authority shall not be liable for and agrees to indemnify, defend and hold the Authority harmless from and against any and all liability arising from or expense incurred by the Authority with respect to (i) the Authority's examination and processing of, and action pursuant to or upon, the attached application, regardless of whether or not the application or the Project, the issue of bonds requested therein, or the tax exemptions and other assistance requested therein are favorably acted upon by the Authority, (ii) the Authority's acquisition, construction and/or installation of the Project described therein, (iii) the issue of bonds requested therein or the Project described therein, and (iv) any further action taken by the Authority with respect to the 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. 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 Authority or the Applicant are unable to reach final agreement with respect to the Project or to find buyers willing to purchase the total bond issue requested, then, and in that event, upon presentation of an invoice itemizing the same, Applicant shall pay to the Authority, its agents or assigns, all actual costs incurred by the Authority in the processing of the application, including attorney's fees, if any.

X. **VERIFICATION.** The undersigned deposes and says that he/she is the Manager of the Applicant;  
(Title)  
that he/she 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/her knowledge. The undersigned further says that the reason this verification is made by the undersigned and not by the Applicant is because the Applicant is an entity. The grounds of the undersigned's belief relative to all matters in this application which are not stated upon his/her own personal knowledge are investigations which the undersigned has caused to be made concerning the subject matter of this application as well as information acquired by the undersigned in the course of his/her duties as an officer of and from the books and papers of the Applicant.

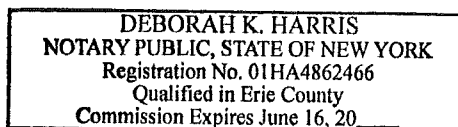
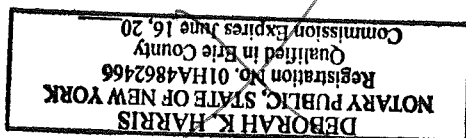
IN WITNESS WHEREOF, the Applicant has duly executed this application this 11<sup>th</sup> day of October, 2012

Rmii Holdings, LLC  
(Applicant)

By: [Signature]  
Name: Kenneth M. Franasiak  
Its: Manager

Sworn to before me this  
11<sup>th</sup> day of October, 2012

Deborah K. Harris  
Notary Public



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Calamar-RM 11 Holdings LLC  
Proposed AIDA PILOT - 10 years, including Current Assessment

Year	Estimated Assessment	Tax Rate	Taxes without PILOT	Increase in Property Value	Tax Rate	Exemption Percentage	PILOT Payment on Increase	Current Assessment	Tax Rate	Taxes without Development
1	6,000,000	38.2627	229,576	6,000,000	38.2627	100%	0	112,500	38.2627	4,305
2	6,060,000	38.6453	234,191	6,060,000	38.6453	90%	23,419	113,738	38.6453	4,395
3	6,120,600	39.0318	238,898	6,120,600	39.0318	80%	47,760	114,989	39.0318	4,488
4	6,181,806	39.4221	243,700	6,181,806	39.4221	70%	73,110	116,253	39.4221	4,583
5	6,243,624	39.8163	248,598	6,243,624	39.8163	60%	99,439	117,532	39.8163	4,680
6	6,306,060	40.2145	253,595	6,306,060	40.2145	50%	126,797	118,825	40.2145	4,778
7	6,369,121	40.6166	258,692	6,369,121	40.6166	40%	155,215	120,132	40.6166	4,879
8	6,432,812	41.0228	263,892	6,432,812	41.0228	30%	184,724	121,454	41.0228	4,982
9	6,497,140	41.4330	269,196	6,497,140	41.4330	20%	215,357	122,790	41.4330	5,088
10	6,562,112	41.8473	274,607	6,562,112	41.8473	10%	247,146	124,140	41.8473	5,195
	<b>TOTAL TAXES</b>		<b>2,514,944</b>	<b>TOTAL PILOT PAYMENTS</b>			<b>1,172,988</b>	<b>TOTAL TAXES</b>		<b>47,374</b>

Notes: Tax Rate assumes 1% increase per year.

Estimated and Current Assessments assume 1% increase per year (Current Assessments include 138 Standart Ave, 136 Standart Ave, 102 North Lewis St land value, 9 Catlin St.)

Total PILOT Payment includes payment on current assessment plus payment on the estimated increase in value after construction.

Year 1 assumes that the AIDA PILOT begins in July 2013.

PILOT includes a 10-year recapture provision, per AIDA's standard policy.

**Benefits to Developer:**

Estimated Full taxes  
Less: PILOT payments

2,514,944  
1,220,361

**Tax Savings to Developer**

**\$1,294,583**

**Benefits to Taxing Jurisdictions:**

PILOT payments, including current assessments  
Less: Taxes with no project

1,220,361  
47,374

**Increased Revenue to Taxing Jurisdictions**

**\$1,172,988**