

**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: JBj Real Property, LLC

APPLICANT'S

ADDRESS: 282 State Street CITY: Auburn STATE: NY ZIP: 13021

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

APPLICATION: Joe Bartolotta TELEPHONE NO: 315-282-7926 FAX NO: Same

E-MAIL ADDRESS: jpbartolotta@yahoo.com

**APPLICANT'S ATTORNEY:**

NAME OF FIRM: \_\_\_\_\_

NAME OF

ATTORNEY: Joseph P. Bartolotta

ATTORNEY'S

ADDRESS: 2 State Street

CITY: Auburn STATE: NY ZIP: 13021

TELEPHONE NO: 315-282-7926 FAX NO: \_\_\_\_\_ E-MAIL ADDRESS: jpbartolotta@yahoo.com

**APPLICANT'S ACCOUNTANT:**

NAME OF FIRM: Beauchine & Associates, P.C.

NAME OF

ACCOUNTANT: Richard Beauchine

ACCOUNTANT'S

ADDRESS: 128 Grant Avenue

CITY: Auburn STATE: NY ZIP: 13021

TELEPHONE NO: 315-253-5381 FAX NO: \_\_\_\_\_ E-MAIL ADDRESS: \_\_\_\_\_

**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.

A.

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>
Matteo Bartolotta	7353 State Street Rd., Auburn, NY	Member	Bartolotta Furniture; R&M Associates; Genesee Properties, LLC; Logan Street, LLC

2. Is the Company or management of the Company now a plaintiff or a defendant in any civil or criminal litigation? ☐ Yes; (x) No.
3. Has any person listed above ever been convicted of a criminal offense (other than a minor traffic violation?) ☐ Yes; (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? ☐ 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? ☐ Yes; (x) No. If yes, please list exchanges where stock of the Company is traded: N/A
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>
Matteo Bartolotta	7353 State Street Rd., Auburn, NY	100%

D. Company's principal bank(s): Five-Star Bank; First Niagara Bank ; Tompkins Trust  
\_\_\_\_\_  
\_\_\_\_\_

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:  
N/A  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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: N/A

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: N/A

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: \_\_\_\_\_ N/A

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.)  
See Exhibit 2

- B. Location of the Project.

1. Street Address: See Exhibit 3
2. City: \_\_\_\_\_
3. Town: \_\_\_\_\_
4. Village: \_\_\_\_\_
5. School District: \_\_\_\_\_
6. Fire District: \_\_\_\_\_
7. County: \_\_\_\_\_
8. Property Tax Identification No.: \_\_\_\_\_

- C. Description of the Project site.

1. Approximate size (in acres or square feet) of the Project site: two City Blocks (est). Is a map, survey or sketch of the Project site attached? (x) Yes; ☐ No. (See **Exhibit 4**)
2. Are there existing buildings on the Project site? (x) Yes; ☐ No.
  - a. If yes, indicate the number of buildings on the site: 18 Also, please briefly identify each existing building and indicate the approximate size (in square feet) of each such existing building:  
See Exhibit 5
  - b. Are the existing buildings in operation? ☐ Yes; (x) No. If yes, describe present use of such buildings: Most of the buildings are not in operation (See Exhibit 6)
  - c. Are the existing buildings abandoned? (x) Yes; ☐ No. About to be abandoned? ☐ Yes; ☐ No. If yes, describe: Most of the structures are currently vacant and unproductive and have been for several years (See Exhibit 6)
  - d. Attach photograph of present buildings. (See **Exhibit 7**)
3. Utilities serving the Project site:

Water-Municipal:	<u>Yes</u>
Other (describe):	<u>N/A</u>
Sewer-Municipal:	<u>Yes</u>
Other (describe):	<u>N/A</u>
Electric-Utility:	<u>NYSEG</u>
Other (describe):	<u>N/A</u>
Heat - Utility:	<u>NYSEG</u>
Other (describe):	<u>N/A</u>

4. Present legal owner of the Project site: JBJ Real Property, LLC; R& M Associates, LLC; Genesee Property, LLC
- a. If the Company (or any Sublessee) owns the Project site, indicate date of purchase: See Exhibit 8; purchase price: \$ See Exhibit 8
- 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? ☐ Yes; ☐ No. If yes, indicate date option signed with the owner(s): N/A; date the option expires: N/A
- 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? ☐ Yes; ☐ No. If yes, describe in detail on separate attachment. N/A
5. a. Zoning District in which the Project is located: See Exhibit 3
- b. Are there any variances or special permits affecting the Project site? ☐ Yes; (x) No. If yes, list below and attach copies of all such variances or special permits: N/A
6. Will any portion of the Project be located outside the geographical boundaries of the City of Auburn? ☐ Yes; (x) No. If yes, what other municipality is the Project partially located in? N/A. Is the portion of the Project located outside the City of Auburn contiguous with the portion of the Project inside the City of Auburn? ☐ Yes; ☐ No.

D. Description of Proposed Construction.

1. Does part of the Project consist of the acquisition or construction of a new building or buildings? ☐ Yes; (x) No. If yes, indicate number and size of new buildings: N/A
2. Does part of the Project consist of additions and/or renovations to the existing buildings located on the Project site? (x) Yes; ☐ No. If yes, indicate the buildings to be expanded or renovated, the size of any expansions and the nature of expansion and/or renovation: The applicant plans to completely renovated and rehabilitated the structures into approximately 30 residential loft apartments and 7 storefronts
3. Describe the principal uses to be made by the Company of the building or buildings to be acquired, constructed, renovated or expanded: residential loft apartments and storefronts for retail/restaurant and/or professional office space



E. Description of the Equipment.

1. Does a part of the Project consist of the acquisition or installation of machinery, equipment or other personal property (the "**Equipment**")? ( ) Yes; (x) No. If yes, describe the Equipment: N/A  
\_\_\_\_\_  
\_\_\_\_\_.
2. With respect to the Equipment to be acquired, will any of the Equipment be Equipment which has previously been used? ☐ Yes; (x) No. If yes, please provide detail:  
N/A  
\_\_\_\_\_  
\_\_\_\_\_.
3. Describe the principal uses to be made by the Company of the Equipment to be acquired or installed: N/A.  
\_\_\_\_\_  
\_\_\_\_\_.

F. Project Use.

1. What are the principal products to be produced at the Project? Approximately 30 residential loft apartments and 7 storefronts  
\_\_\_\_\_  
\_\_\_\_\_.
2. What are the principal activities to be conducted at the Project? Leasing of residential loft apartments and storefronts  
\_\_\_\_\_  
\_\_\_\_\_.
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; (x) No. If yes, please provide detail: The facilities will be a mix of residential loft apartments and storefronts. The applicant is uncertain of the precise tenant mix but it will presumably include some retail/restaurant and/or professional space.  
\_\_\_\_\_  
\_\_\_\_\_.
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? Approx. 25%.
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: N/A  
\_\_\_\_\_  
\_\_\_\_\_.

- b. Is the Project likely to attract a significant number of visitors from outside the counties of Cayuga, Onondaga, Madison, Cortland and Oswego? ☐ Yes; ( ) No. If yes, please explain: N/A
- c. Would the Project occupant, but for the contemplated financial assistance from the Authority, locate the related jobs outside the State of New York? ☐ Yes; ☐ No. If yes, please explain: N/A
- 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? ☐ Yes; ☐ No. If yes, please provide detail: N/A
- e. Will the Project be located in one of the following: (i) the City of New York; (ii) an area designed as an economic development zone pursuant to Article 18-B of the General Municipal Law; or (iii) a census tract or block numbering area (or census tract or block numbering area contiguous thereto) which, according to the most recent census data, has (x) a poverty rate of at least 20% for the year in which the data relates, or at least 20% of households receiving public assistance, and (y) an unemployment rate of at least 1.25 times the statewide unemployment rate for the year to which the data relates? ☐ Yes; ☐ No. If yes, please explain: N/A
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? ☐ Yes; ☐ No. If yes, please explain: N/A
7. Will the completion of the Project result in the removal of a plant or facility of the Company or another proposed occupant of the Project (a "Project Occupant") from one area of the State of New York to another area of the State of New York? ☐ Yes; (x) No. If yes, please explain: N/A

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? ☐ Yes; (x) No. If yes, please provide detail: N/A

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

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

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

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; ☐ No. If yes, please discuss in detail the approximate stage of such acquisition: The applicant currently owns the project sites
2. If the Project includes the acquisition of any Equipment, have any steps been taken toward acquiring same? (x) Yes; ☐ No. If yes, please discuss in detail the approximate stage of such acquisition: N/A
3. If the Project involves the construction or reconstruction of any building or other improvement, has construction work on any such building or improvement begun? ☐ Yes; ( ) No. If yes, please discuss in detail the approximate extent of construction and the extent of completion. Indicate in your answer whether specific steps have been completed, such as site clearance and preparation, completion of foundations, installation of footings, etc.: Some structural and roof repairs have been made in order to preserve the structures from further deterioration from the elements but actual construction of the project is on hold until such time as private financing can be secured. The structures have also been cleared of all debris so that preliminary floor plans can be contemplated
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: Funds have been expended for the purchase of the property; general maintenance and repairs of the structures; and structural and roof repairs to prevent further deterioration of the structures. Funds have also been expended for debris removal and preliminary architectural design of the proposed redevelopment, legal and consultant costs.

- 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.

TYPE OF EMPLOYMENT				
	PROFESSIONAL, MANAGERIAL OR TECHNICAL	SKILLED	UNSKILLED OR SEMI-SKILLED	TOTALS
Present Full Time	0	0	0	0
Present Part Time	0	0	0	0
Present Seasonal	0	0	0	0
First Year Full Time	5 (est)	25(est)	0 (est)	30 (est)
First Year Part Time	0	0	40 (est)	40 (est.)
First Year Seasonal	0	0	10(est)	10 (est)
Second Year Full Time	5 (est)	25 (est)	0 (est)	30 (est)
Second Year Part Time	0	0	40 (est)	240 (est.)
Second Year Seasonal	0	0	10 (est)	10 (est)

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 facilities, using the following categories:

Description of Cost

Amount

Land

\$ \_\_\_\_\_

Buildings

\$ 900,000

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Machinery and Equipment costs	\$ _____
Utilities, roads and appurtenant costs	\$ _____
Architects and engineering fees	\$ <u>400,000</u>
Costs of financing (legal, financial and printing)	\$ <u>150,000</u>
Construction loan fees and interest	\$ <u>300,000</u>
Other (specify) Construction Costs; Contingency; Carrying Costs During Construction General Contractor/Const. Manager	\$ <u>4,950,000</u>

**TOTAL PROJECT COSTS**

\$ 6,700,000 (est.)

- B. Have any of the above expenditures already been made by the Applicant? ☒ Yes; ☐ No. If yes, indicate particulars: The applicant has already purchased the land and incurred expenses for general maintenance and repairs and remove debris from the site. The applicant has also incurred some expense relative to legal, architectural, and other consultant and professional services.
- C. Amount of financial assistance requested: N/A (applicant not seeking bond financing) Dollars; Maturity requested: N/A Years.
- D. Has the Applicant made any arrangements for the marketing or purchase of the proposed bond issue? ☐ Yes; ☐ No. If yes, please explain: N/A (applicant not seeking bond financing)
- 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: N/A (applicant not seeking bond financing)
- 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: N/A
- G. Will the proceeds of the bonds be used to finance or refund any existing mortgage, loan or other indebtedness with respect to the Applicant or the Project? ☐ Yes; ☐ No. If yes, please provide details of prior obligations: N/A
- 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: N/A

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? (x) Yes; ☐ No. If yes, is the real property tax exemption being sought consistent with the Authority's Uniform Tax Exemption Policy? ☐ Yes; (x) No.
- B. Is the Applicant expecting the financing of the Project to be secured by one or more mortgages? (x) Yes; ☐ No. If yes, what is the approximate amount of financing to be secured by the mortgage(s)? approximately \$4,950,000.
- 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? (x) Yes; ☐ 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? \$ Unknown at this time.
- 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: \$ 8% tax on all taxable materials, equipment and services in connection with the project.
  2. Mortgage Recording Taxes: \$ 1% of the amount mortgaged for the project.
  3. Real Property Tax Exemptions: \$ Pursuant to a Payment in Lieu of Taxes
  4. Other (please specify):  
\_\_\_\_\_  
\_\_\_\_\_ \$ \_\_\_\_\_  
\_\_\_\_\_ \$ \_\_\_\_\_
- E. Are any of the tax exemptions being sought in connection with the Project inconsistent with the Authority's Uniform Tax Exemption Policy? (x) Yes; ( ) No. If yes, please explain how the request of the Applicant differs from the Authority's Uniform Tax Exemption Policy: The applicant is requesting the Authority to deviate from the Uniform Tax Exemption Policy in order make the project financeable and to provide for stabilization of the project after construction. The applicant is willing to work with the AIDA to reach a mutually agreeable PILOT.

VII. **OTHER GOVERNMENTAL INVOLVEMENT.**

- A. Has the Applicant contacted any other governmental agency with regard to the Project? (x) Yes; ☐ No. If yes, indicate the agency and the nature or the inquiry: NYS Main Street Grant
- 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? ☐ Yes; (x) No. If yes, please explain: \_\_\_\_\_

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

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- A. Certified or reviewed Financial Statements of the Applicant (and of any expected guarantor of the bond issue) for the last three fiscal years. N/A (applicant not seeking bond financing).
- B. Pro forma balance sheet as of the start of operations at the Project site. (N/A applicant not seeking bond financing)
- C. Projected profit and loss statements for the first two years of operation at the Project site. (N/A applicant not seeking bond financing)
- D. Projected quarterly cash flow statement for the Project for the first year of operation at the Project site. (N/A applicant not seeking bond financing)

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 Member of the Applicant; 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 9<sup>th</sup> day of March, 2012.

\_\_\_\_\_  
 JBJ Real Property, LLC  
 (Applicant)  
 By: *Matteo Bartolotta*  
 Name: Matteo Bartolotta  
 Its: Member

Sworn to before me this  
9<sup>th</sup> day of March, 2012.

*Judith E Sullivan*  
 Notary Public

Judith E Sullivan  
 Notary Public, State of New York  
 Qualified in Onon. Co. No. 01SU6203904  
 Commission Expires April 13, 2013

## **DOWNTOWN REVITALIZATION PROJECT**

### **The Creative Corridor and East Hill District**

Located in the Heart of Downtown Auburn, New York  
Consisting of – 16, 20 & 24 State Street; 117 & 119 Gen. St; and 34-36 Dill St.  
15, 17, 19, 21, 23, 25 & 27 East Genesee Street; and  
5, 6, 7, 9, 10, 12 & 14 John Street

### **INTRODUCTION**

Over the past several decades Matteo Bartolotta and his family have invested a great deal of time, effort and resources into the renovation of old and/or historic structures throughout the City of Auburn. With the support of the City of Auburn and the assistance of the Auburn Industrial Development Authority, the most recent project completed by the Bartolotta family was the rehabilitation of the Wegman Piano Factory (c1879) into 35 loft apartments and townhouses. Through that single collaborative private/public effort over 70 new residents have been attracted to downtown Auburn and a part of Auburn's industrial history has been preserved for its future generations to enjoy. (See before and after photos of the Wegman Piano Factory attached as **Exhibit 9**).

### **HISTORY**

Matteo and his brother, Antonino Barotolotta, immigrated from Italy to Brooklyn, New York in the 1960s. There they worked several years for a Manhattan based custom furniture shop (Subacchi Furniture) where they made fine, hand-made furniture for customers throughout Manhattan (including the dining and bedroom furniture for Jackie Kennedy Onassis' Park Avenue apartment). In 1976 they moved to Auburn New York, opening their own custom cabinetry shop at 282 State Street and introducing a new level of craftsmanship and quality to Central New York. Along with their love for quality woodworking they brought their passion for historical architecture. They watched with dismay the destructive fate that Urban Renewal brought to many beautiful downtown structures and set on a course to preserve the few that survived.

Although not native Auburnians, the Bartolotta brothers adopted Auburn as their home, and from the moment they entered the community in 1976 they have worked hard to contribute to its development. The segments of the City in which they invested were selected indiscriminately; sometimes leading to investments in areas that would be deemed by some to be the worst neighborhoods in Auburn. Regardless of the location of a given project the brothers were unwavering in their commitment to quality and preservation. In fact, Matteo Bartolotta completely rehabilitated several apartment houses on Orchard Street in the mid-1980s (one of the poorest neighborhoods in the City). Believing that all people, regardless of social or economic status, should be given the dignity of residing in a decent home, Matteo expended his skills and resources in producing six high quality rentals all of which contained hand-made, custom kitchen cabinetry; new high-efficiency mechanicals; new high-efficiency windows; and new exterior facades. To this day, Matteo's Orchard Street apartments are a place in which he himself would reside.



Throughout the 1980s and 1990's (a period in which Auburn's image had tarnished and faith in its future had been lost), Matteo Bartolotta continued to invest and believe in his adopted hometown. (Contained in the side pocket of this binder are some documents that present a snapshot of a few of the projects spearheaded by Matteo and his family that demonstrate their commitment and dedication to Auburn and its community – some recent and some decades old).

#### DESCRIPTION OF THE PROPOSED DOWNTOWN REVITALIZATION PROJECTS.

The Bartolotta family is now seeking to further contribute to the revitalization of downtown Auburn by rehabilitating several historic buildings on State Street and Genesee Street (the "Creative Corridor") and on East Genesee Street and John Street (the "East Hill District") (collectively, the "Downtown Revitalization Project"). The proposed Downtown Revitalization Project will have transformational impacts on downtown Auburn. The following gives a brief overview of the Downtown Revitalization Project:

The Creative Corridor - the entire city block of State Street between Genesee Street and Dill has been dubbed the "Creative Corridor." The Downtown Revitalization Project includes several of the structures within the Creative Corridor - they are 16, 20 & 24 State Street; and 117 & 119 Genesee Street. These structures have been vacant for several years; neglected for decades; and have fallen into significant structural and aesthetic disrepair. The Downtown Revitalization Project will transform these structures into a 30,000 square-foot, multi-structure, mixed-use development with 12 loft apartments, prime retail spaces, and convenient onsite parking all in the center of downtown Auburn (see renderings attached as **Exhibit 4**). Designed to incorporate a multitude of environmentally-sensitive building techniques, the renovations will include green rooftop terraces and new, high-efficiency mechanical systems. This multi-structure development will consist of first-floor commercial space perfect for local entrepreneurs, merchants, and restaurateurs. The architectural facades of the Creative Corridor will be refurbished to highlight State Street's historic past while celebrating an illuminated present and future with the restoration of the large neon cantilever sign that will become a beacon of commerce within the Creative Corridor.

The East Hill District - The block of East Genesee Street between Seminary and John Street, known as the East Hill, is one block east of downtown Auburn and serves as a main gateway into Downtown Auburn. It is home to scattered businesses, non-for-profits and eateries. Over the course of time many of the structures on the East Hill have fallen into disrepair. Several of the businesses within the East Hill District have recently closed leaving the structures that once housed them abandoned and vacant. Even the few structures within the East Hill District that have been fairly well maintained are only partially occupied. The applicant is convinced that by improving the aesthetic dynamic of the East Hill District, occupancy rates will rise proportionately and businesses, jobs and commerce will return to the East Hill. The proposed Downtown Revitalization Project includes nearly all of the buildings located on the north side of East Genesee Street between Seminary Ave and John Street (15, 17, 19, 21, 23, 25 & 27 East Genesee Street). **Exhibit 4** contains an architectural rendering which gives an aerial view of the structures. Also included in **Exhibit 4** is an architectural rendering which gives an elevation view of the same buildings in their post renovation state.

John Street is also located within the East Hill District and serves as a welcoming mat to our community, ushering in visitors from the East. Although only one-block in length, John Street

connects Arterial East (a main thoroughfare into the City of Auburn) to East Genesee Street (a main thoroughfare into Downtown Auburn). The entire block contains eight apartment houses, some of which are vacant and extremely dilapidated. John Street also contains an old cobblestone carriage house which originally housed the municipal blacksmith/horse farrier shop. Collectively, these structures contribute to urban blight in an area that has a profound negative impact upon ones' first impression of our city. Urban blight is not simply a cosmetic issue. As structures in concentrated areas become condemned, vacant and run-down they can affect other well-maintained properties surrounding them. Vacant structures, such as some of those on John Street, could become havens for illegal activities, like drug dealing, and are more prone to fires which can spread to other buildings. The applicant feels strongly that a dramatic transformation of John Street, one of the gateways to our community, will have far reaching, positive impacts upon the City of Auburn. **Exhibit 4** contains an architectural rendering which gives an aerial view of the structures along John Street that will be included in the Downtown Revitalization Project (they include - 5, 6, 7, 9, 10, 12 & 4 John Street). The renovations for each structure will include new plumbing, electrical, and HVAC; new energy efficient windows; new kitchens and bathrooms; and updated façades consistent with their historic past. The John Street plans also include the installation of a dramatic streetscape lined with landscaping and period lamp posts. The proposed plans for John Street are designed to bring dignity to one of our City's most neglected main entrances and to give guests traveling into downtown Auburn from the east a first impression worthy of History's Hometown.

The East Hill portion of the Downtown Revitalization Project will transform the several vacant, dilapidated structures described above (located on East Genesee Street and John Street) into a 40,000 square-foot, multi-structure, mixed use development with 20 loft apartments, prime retail spaces, and convenient onsite parking all in downtown Auburn.

#### STATEMENT OF NEED

The 2010 City Comprehensive Plan and the City of Auburn Housing Market Study, which was completed in 2006, serves as a guide for the City's future redevelopment efforts and devotes an entire chapter to "boosting downtown." Specifically, the plan documents the increased demand for more urban housing options and need to retain historic and cultural amenities within the urban core. The 2006 housing study also noted that there was a need for more housing options and that the community needed to make the preservation of older buildings a priority due to the fading identity of Downtown Auburn.

The key to downtown revitalization is bringing as many new residents downtown as possible. According to David Mankiewicz, deputy director of the Downtown Syr. Committee and assistant to the president of the Metropolitan Development Association of Syracuse and Central New York, Inc., people who live downtown spend, on average, about four times as much money as people who work downtown. (Quoted from a CNY Business Journal Article Jan. 13, 2006) Accordingly, the proposed Downtown Revitalization Project, which will contain approximately 32 one and two bedroom loft apartments, could bring as much revenue to downtown Auburn as a 256-person office building. Once complete, the Downtown Revitalization Project could bring up to 64 new residents downtown who will spend their money there, spurring economic growth of

downtown businesses, thereby promoting employment opportunities and contributing to the prevention of economic deterioration of the downtown area.

In addition to 64 new downtown residents, the seven vacant storefronts that will be renovated as part of the Downtown Revitalization Project are presently being marketed to various restaurants and retail establishments (our marketing brochure is contained in the side pocket of this binder for your perusal). Although no leases have yet been executed, negotiations are ongoing with several large, upscale restaurants, some of which have indicated their establishments would create as many as 30 to 60 new jobs. While some may discount the significance of what might be considered "low paying service jobs," it is important to note that wait staff at upscale restaurant establishments (such as those being courted) can make a considerable amount in tips. In addition to wait staff, professional chefs and management positions would also be created.

Currently, the vacant and/or dilapidated commercial buildings that make up the Downtown Revitalization Project within the Creative Corridor and East Hill District detract from the overall aesthetics and economic vibrancy of Downtown Auburn. As a logical step in restoring Auburn's downtown identity, the Bartolotta family, in collaboration with the City of Auburn and with the support of the Auburn Industrial Development Authority, is proposing to rehabilitate those vacant and dilapidated buildings. Tax exemption benefits through the Auburn Industrial Development Authority would provide much needed financial assistance required for leveraging private financing in order to redevelop this extremely large segment of Downtown Auburn. This unique opportunity for a private/public collaboration will result in a nearly \$7,000,000 investment into our community, thereby spurring economic growth of downtown businesses, promoting employment opportunities; and contributing to the prevention of further economic deterioration of the downtown area.

#### CONSTRUCTION SCHEDULE.

All building permits for the Downtown Revitalization Project have been issued. The final architectural plans have been received and bid packages are being formulated. The demolition and clearing of the interior has been completed and structural repairs are ongoing. If financing can be secured, construction is planned to commence in late spring.

Exhibit 3  
Location of the Project

The project includes the rehabilitation of nearly two city blocks in downtown Auburn ("Downtown Revitalization Project")

*The Creative Corridor* - the entire city block of State St. between Genesee St. and Dill has been dubbed the "Creative Corridor." The Downtown Revitalization Project includes several of the structures within the Creative Corridor - they include 117 Genesee St. (a/k/a Limestone Bldg); 119 Genesee St. (a/k/a Deli Bldg); 16 State St. (a/k/a Bar Bldg); 18- 20 State St. (a/k/a Spirits Bldg); and 24 State St. (a/k/a Stevens Bldg) (collectively, the "Creative Corridor Project"). The Creative Corridor Project will transform these structures into a 30,000 square-foot, multi-structure, mixed use development with 12 loft apartments, 5 retail storefronts, and onsite parking all in the center of downtown Auburn.

*The East Hill District* - the City block of East Genesee Street between Seminary Avenue and John Street is considered the City's East Hill District. John Street spans only one block but it connects Arterial East (a high-capacity urban thoroughfare) to East Genesee Street and serves as a main gateway to Auburn's downtown community. The Downtown Revitalization Project includes nearly all of the buildings located on the north side of East Genesee Street between Seminary Ave and John Street (15 East Genesee Street; 17 East Genesee Street; 19 East Genesee Street; 25 East Genesee Street; and 27 East Genesee Street). It also includes eight of the ten structures located on John Street (5 John Street; 6 John Street; 7 John Street; 9 John Street; 10 John Street; 12 John Street; and 14 John Street) (collectively, the "East Hill Project"). The East Hill Project will transform these structures into a 40,000 square-foot, multi-structure, mixed use development with 20 loft apartments, 4 retail storefronts, and onsite parking all in downtown Auburn.

To summarize, the Downtown Revitalization Project proposed by the applicant will completely rehabilitate the following structures:

1. 117 Genesee Street, Auburn, NY (Limestone Bldg)  
Auburn School District and Fire District  
Cayuga County  
Property Tax Identification No.: 115.60-2-50  
Zoning Code: C2
2. 119 Genesee Street, Auburn, NY (Deli Bldg)  
Auburn School District and Fire District  
Cayuga County  
Property Tax Identification No.: 115.60-2-51  
Zoning Code: C2
3. 16 State Street, Auburn, NY (Bar Bldg)  
Auburn School District and Fire District  
Cayuga County  
Property Tax Identification No.: 116.45-2-18  
Zoning Code: C2
4. 18-20 State Street, Auburn, NY (Spirits Bldg)  
Auburn School District and Fire District  
Cayuga County  
Property Tax Identification No.: 116.45-2-17 & 116.45-2-16  
Zoning Code: C2
5. 24 State Street, Auburn, NY (John Stevens Bldg)  
Auburn School District and Fire District  
Cayuga County  
Property Tax Identification No.: 116.45-2-15  
Zoning Code: C2
6. 34-36 Dill Street, Auburn, NY (Parking Lot)  
Auburn School District and Fire District  
Cayuga County  
Property Tax Identification No.: 116.45-2-14  
Zoning Code: C2
7. 15 East Genesee Street, Auburn, NY  
Auburn School District and Fire District  
Cayuga County  
Property Tax Identification No.: 116.45-1-70; Zoning Code: C2

8. 17 East Genesee Street, Auburn, NY  
Auburn School District and Fire District  
Cayuga County  
Property Tax Identification No.: 116.45-1-71  
Zoning Code: C2
9. 19 East Genesee Street, Auburn, NY  
Auburn School District and Fire District  
Cayuga County  
Property Tax Identification No.: 116.46-1-1  
Zoning Code: C2
10. 21 East Genesee Street, Auburn, NY  
Auburn School District and Fire District  
Cayuga County  
Property Tax Identification No.: 116.46-1-10  
Zoning Code: C2
11. 23 East Genesee Street, Auburn, NY (parking lot)  
Auburn School District and Fire District  
Cayuga County  
Property Tax Identification No.: 116.46-1-2  
Zoning Code: C2
12. 25 East Genesee Street, Auburn, NY  
Auburn School District and Fire District  
Cayuga County  
Property Tax Identification No.: 116.46-1-4  
Zoning Code: C2
13. 27 East Genesee Street, Auburn, NY  
Auburn School District and Fire District  
Cayuga County  
Property Tax Identification No.: 116.46-1-5  
Zoning Code: C2
14. 5 John Street, Auburn, NY  
Auburn School District and Fire District  
Cayuga County  
Property Tax Identification No.: 116.46-1-9  
Zoning Code: C2
15. 6 John Street, Auburn, NY  
Auburn School District and Fire District  
Cayuga County  
Property Tax Identification No.: 116.46-1-12  
Zoning Code: C2
16. 7 John Street, Auburn, NY  
Auburn School District and Fire District  
Cayuga County  
Property Tax Identification No.: 116.46-1-8  
Zoning Code: C2
17. 9 John Street, Auburn, NY  
Auburn School District and Fire District  
Cayuga County  
Property Tax Identification No.: 116.46-1-11  
Zoning Code: C2

18. 10 John Street, Auburn, NY  
Auburn School District and Fire District  
Cayuga County  
Property Tax Identification No.: 116.38-1-50  
Zoning Code: R2
19. 12 John Street, Auburn, NY  
Auburn School District and Fire District  
Cayuga County  
Property Tax Identification No.: 116.38-1-51.2  
Zoning Code: R2
20. 14 John Street, Auburn, NY  
Auburn School District and Fire District  
Cayuga County  
Property Tax Identification No.: 116.38-1-51.1  
Zoning Code: R2