

Counties of Warren and Washington Industrial Development Agency
5 Warren St. Suite 210, Glens Falls, NY 12801 Tel: (518) 792-1312
Email: aweaver@warren-washingtonida.com

Please answer all questions. Use "None" or "Not Applicable" where necessary. Return one signed original (with all 19 pages) plus three (3) copies to our Agency with the application fee of \$1,500.00. (A credit of \$750.00 will be applied to closing costs.)

A) Applicant Information-company receiving benefit:

Applicant Name: Boats by George Inc.
Applicant Address: 18 State Rt 149 Lake George NY 12845
Phone: 518-793-5452 Fax: 518-793-5481
Website: www.boatsbygeorge.com E-mail: george@boatsbygeorge.com
Federal ID#: 14-1631146

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? _____

Federal ID#: _____

State and Year or Incorporation/Organization: 1982 New York

List of stockholders, members, or partners of Real Estate Holding Company: George R Pensel,
Sole owner

B) Company Contact for this Application:

Name: George R Pensel
Title: President
Address: 18 State Rt 149 Lake George NY 12845
Phone: 518-793-5452 ext 331 Fax: 518-793-5481
E-Mail: george@boatsbygeorge.com

C) Company Counsel:

Name of Attorney: Michael Garry
Firm Name: Garry & Garry, PLLC
Address: 600 Broadway, Albany, NY 12207
Phone: 518-465-3680 Fax: 518-465-9355
E-mail: michaelgarry@garrygarry.com

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D) Identify the assistance being requested of the Agency (select all that apply):

- | | |
|-------------------------------------|--|
| 1. Exemption from Sales Tax | <input checked="" type="checkbox"/> Yes or <input type="checkbox"/> No |
| 2. Exemption from Mortgage Tax | <input checked="" type="checkbox"/> Yes or <input type="checkbox"/> No |
| 3. Exemption from Real Property Tax | <input checked="" type="checkbox"/> Yes or <input type="checkbox"/> No |
| 4. Tax Exempt Financing * | <input type="checkbox"/> Yes or <input type="checkbox"/> No |

* (typically for not-for-profits & small qualified manufacturers)

E) Business Organization (check appropriate category):

- | | | | |
|---------------------|-------------------------------------|---------------------------|--------------------------|
| Corporation | <input checked="" type="checkbox"/> | Partnership | <input type="checkbox"/> |
| Public Corporation | <input type="checkbox"/> | Joint Venture | <input type="checkbox"/> |
| Sole Proprietorship | <input type="checkbox"/> | Limited Liability Company | <input type="checkbox"/> |

Other (please specify) _____

Year Established: 1982

State in which Organization is established: New York

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

<u>Name</u>	<u>% of ownership</u>
<u>George R Pense</u>	<u>100%</u>
_____	_____
_____	_____

G) Applicant Business Description:

Describe in detail company background, products, customers, goods and services. Description is critical in determining eligibility: Boats by George was founded by its owner George Pense in 1982. Boats by George is a full service boat dealership serving boaters in the Adirondacks and Hudson Valley. We offer 5 different boat lines, full service + storage, marine services and a full line of parts & water sports accessories.

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Estimated % of sales within County/City/Town/Village: 70%

Estimated % of sales outside County/City/Town/Village, but within New York State: 25%

Estimated % of sales outside New York State but within the U.S.: 5%

Estimated % of sales outside the U.S. 0%

(*Percentage to equal 100%)

H) What percentage of your total annual supplies, raw materials and vendor services are purchased from firms in County/City/Town/Village. Include list of vendors, raw material suppliers and percentages for each.

Staples, Home Depot, Lowes, Glens Falls Printing,
Allen Powers CPA, Rozell Inc., Emerich Sales Service Inc.,
Lake George Auto Marine, Nemer Chrysler Jeep

A) Project Location:

1. Street Address: 2200 State Rtg
2. City/Town where located: Lake George, NY 12845
3. Village where located: _____
4. School District where located: Lake George
5. Fire District where located: Lake George
6. County where located (Circle One): Warren Washington
7. Tax Parcel Map # for Property where proposed Project will be located: 264.10-1-31

Will the completion of the Project 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?

☐ Yes ☒ No

If the Proposed Project is located in a different Municipality than the Municipality in which current operations are being undertaken, is it expected that any of the facilities in any other Municipality will be closed or be subject to reduced activity?

☒ Yes ☐ No

If Yes, you will need to complete Section II (Q) and Section IV of this Application.

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What is the current real estate/school taxes on the proposed Project Site? \$ 36,749.89

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

Land: \$ _____

Buildings(s): \$ _____

➤ If available please include a copy of current tax bill.

Are Real Property Taxes current? ☒ Yes or ☐ No. If no, please explain _____

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: 2200 Route 9 LLC Ralph Macchio

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: Currently the site has been used for office space, storage & an occasional event location.

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):

The usage of the building will be a sales showroom of boats and related accessories. There will also be some boat storage for approximately 50 boats. The plan is to convert the ice rink into a display of boats & convert the locker rooms into sales offices. Ice system to radiant heat. Also our administrative offices will move to this location. The exterior of building will also be upgraded.

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): This building & property has a very high operational

cost. The purpose of this project is to increase our sales. It is going to take some time and investment to get this project to a point of carrying itself and even usable.

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 ☐ No

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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: Boats by George has done business in the past

successfully with the Warren Washington County Ida.
We together successfully developed a 4 million dollar service center in Fort Ann NY. we have created jobs and now are in the position to grow again.

Since our last joint venture with the IDA we have almost doubled our business.
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 this project, Boats by George

will be limited on its sales volume based on display space. We are at
limit with our current facilities. Sales tax revenue is big for the county

C) Will Project include leasing any equipment? ☒ Yes ☐ No

If Yes, please describe: The contractors will lease equipment. We tend
to purchase the equipment we need to run our business

D) Site Characteristics:

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

Describe the present zoning/land use: TC-A, Tourist Commercial A

Describe required zoning/land use, if different: _____

If a change in zoning/land use is required, please provide details/status of any request for change of zoning/land use requirements: We have requested boat storage for 50 boats
instead of the 20 allowed via a variance. Variance was
approved on Dec 2 by Lake George Planning Board

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: No

E) Has a Phase I Environmental Assessment been prepared or will one be prepared with respect to the proposed project site? ☒ Yes ☐ No **If yes, please provide a copy.**

F) Have any other studies or assessments been undertaken with respect to the proposed project site that indicate the known or suspected presence of contamination that would complicate the site's development?

☐ Yes ☒ No **If yes, please provide copies of the study**

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G) Provide any additional information or details: _____

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

Please check any and all end users as identified below.

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 IV of the Application.

Retail Sales: ☒ Yes ☐ No

Services: ☒ Yes ☐ 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.

Industrial ☐
Acquisition of Existing Facility ☐
Housing ☐
Equipment Purchase ☐
Multi-Tenant ☐
Commercial ☐

Back Office ☐
Retail ☒
Mixed Use ☐
Facility for Aging ☐
Civic Facility (not for profit) ☐
Other ☐

I) Project Information:

Estimated costs in connection with Project:

- | | |
|---|------------------------|
| 1. Land and/or Building Acquisition: | \$ <u>3,000,000.00</u> |
| _____ acres _____ square feet | |
| 2. New Building Construction: _____ square feet | \$ _____ |
| 3. New Building Addition(s): _____ square feet | \$ _____ |
| 4. Infrastructure Work | \$ _____ |
| 5. Reconstruction/Renovation: <u>10,000</u> square feet | \$ <u>500,000.00</u> |
| 6. Manufacturing Equipment: | \$ _____ |
| 7. Non-Manufacturing Equipment (furniture, fixtures, etc.): | \$ <u>200,000.00</u> |
| 8. Soft Costs: (professional services, etc.): | \$ <u>50,000.00</u> |
| 9. Other, Specify: _____ | \$ _____ |

TOTAL Capital Costs: \$ 3,850,000.00

Project refinancing; estimated amount
(for refinancing of existing debt only)

\$ _____

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Sources of Funds for Project Costs:

Bank Financing: \$ 3,000,000.00

Equity (excluding equity that is attributed to grants/tax credits) \$ 850,000.00

Tax Exempt Bond Issuance (if applicable) \$ _____

Taxable Bond Issuance (if applicable) \$ _____

Public Sources (Include sum total of all state and federal grants and tax credits) \$ _____

Identify each state and federal grant/credit:

_____ \$ _____

_____ \$ _____

_____ \$ _____

Total Sources of Funds for Project Costs: \$ 3,850,000.00

Have any of the above costs been paid or incurred as of the date of this Application? ☒ Yes ☐ No

If Yes, describe particulars: \$100,000.00 deposit on real estate.

Mortgage Recording Tax Exemption Benefit: Amount of mortgage that would be subject to mortgage recording tax:

Mortgage Amount (include sum total of construction/permanent/bridge financing): \$ 2,100,000

Estimated Mortgage Recording Tax Exemption Benefit (product of mortgage Amount as indicated above multiplied by 1.25%): \$ 26,250.00

Construction Cost Breakdown:

Total Cost of Construction \$ 200,000.00 (sum of 2,3,4,5, and 7; if 7 is applicable, in Question I, above)

Cost for materials: \$ 200,000.

% sourced in County/City/Town/Village: 20 80%

% sourced in State _____ % (including County/City/Town/Village)

Cost for labor: \$ 600,000.

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Estimated number of construction jobs for your project: 6

Sales and Use Tax: Gross amount of costs for goods and services that are subject to State and local Sales and Use tax - said amount to benefit from the Agency's Sales and Use Tax exemption benefit:

\$ 200,000

Estimated State and local Sales and Use Tax Benefit (product of 7 % multiplied by the figure, above):

\$ 14,000.00

*** 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:

Identify and describe if the Project will utilize a real property tax exemption benefit OTHER THAN the Agency's PILOT 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 V 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(I) of the Application.

J) For the proposed facility, please indicate the square footage for each of the uses outlined below:
If company is paying for FFE (furniture, fixtures, equipment) for tenants, please include in cost breakdown

	Square Footage	Cost	% of Total Cost of Project
Manufacturing/Processing	<u> </u>	<u> </u>	<u> </u>
Warehouse	<u>4,000.00</u>	<u>0</u>	<u>0%</u>
Research & Development	<u> </u>	<u> </u>	<u> </u>
Commercial	<u> </u>	<u> </u>	<u> </u>
Retail (see page 12)	<u>30,000.00</u>	<u>600,000</u>	<u>75%</u>
Office	<u>6,000.00</u>	<u>200,000</u>	<u>25%</u>
Specify Other	<u>10,000.00</u>	<u>0</u>	<u>0%</u>

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K) What is your project timetable (Provide dates):

1. Start date: acquisition of equipment or construction of facilities: 1/15/21
2. Estimated completion date of project: 7/1/21
3. Project occupancy – estimated starting date of operations: 4/1/21
4. Have construction contracts been signed? ☐ Yes ☒ No
5. Has Financing been finalized? ☐ Yes ☒ No

If construction contracts have been signed, please provide copies of executed construction contracts and a complete project budget. The complete project budget should include all related construction costs totaling the amount of the new building construction, and/or new building addition(s), and/or renovation.

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

☒ Yes ☐ No

If yes, please provide the Agency with a copy of the related State Environmental Quality Review Act ("SEQR") Environmental Assessment Form that may have been required to be submitted along with the site plan application to the appropriate planning department. Please provide the Agency with the status with respect to any required planning department approval: Planning Board Meeting 12/2/20

Has the Project received site plan approval from the planning department? ☐ Yes ☒ No.

If Yes, please provide the Agency with a copy of the planning department approval along with the related SEQR determination.

M) Is the project necessary to expand project employment: ☒ Yes ☐ No

Is project necessary to retain existing employment: ☐ Yes ☒ No

O) Employment Plan (Specific to the proposed project location):

Current # of jobs at proposed project location or to be relocated at project location	IF FINANCIAL ASSISTANCE IS GRANTED – project the number of FTE and PTE jobs to be RETAINED	IF FINANCIAL ASSISTANCE IS GRANTED – project the number of FTE and PTE jobs to be CREATED upon TWO Years after	Estimate number of residents of the Labor Market Area in which the Project is located that will fill the FTE and PTE jobs to be created upon TWO
10	10	8	8

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** For purposes of this question, please estimate the number of FTE and PTE jobs that will be filled, as indicated in the third column, by residents of the Labor Market Area, in the fourth column. The Labor Market Area includes the Counties of Warren and Washington as well as the following Areas: Counties of Saratoga, Essex and Hamilton.

*** By statute, Agency staff must project the number of FTE jobs that would be retained and created if the request for Financial Assistance is granted. Agency staff will project such jobs over the TWO-Year time period following Project completion. Agency staff converts PTE jobs into FTE jobs by dividing the number of PTE jobs by two (2).

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

Category of Jobs to be Retained and Created	Average Salary or Range of Salary	Average Fringe Benefits or Range of Fringe Benefits
Management	\$150,000	Health Ins & 401 K
Professional	180,000	Health Ins & 401 K
Administrative	90,000	Health Ins & 401 K
Production	50,000	Health Ins & 401 K
Independent Contractor		
Other		

Employment at other locations in County/City/Town/Village: (provide address and number of employees at each location):

	Queensbury		Queensbury	
	Address 10018 149 Ft Ann 12827	Address 18 State Rt 149 Lake George, NY	Address 291 Cloverdale Rd Cloverdale NY 12820	
Full time	14	14	10	
Part Time	2		7	
Total	16			

P) Will any of the facilities described above be closed or subject to reduced activity? ☒ Yes ☐ No

** If any of the facilities described above are located within the State of New York, and you answered Yes to the question above, you must complete Section IV of this Application.

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*** Please note that 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.*

Q) Is the project reasonably necessary to prevent the project occupant from moving out of New York State? ☐ Yes ☒ No.

If yes, please explain and identify out-of-state locations investigated, type of assistance offered and provide supporting documentation if available: _____

R) What competitive factors led you to inquire about sites outside of New York State? _____

S) Have you contacted or been contacted by other Local, State and/or Federal Economic Development Agencies? ☐ Yes ☒ No.

If yes, please identify which agencies and what other Local, State and/or Federal assistance and the assistance sought and dollar amount that is anticipated to be received: _____

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

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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? 90%
%. **If the answer is less than 33% do not complete the remainder of the retail determination and proceed to section V.**

If the answer to A is Yes AND the answer to Question B is greater than 33.33%, indicate which of the following questions below apply to the project:

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

☒ Yes ☐ 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 ☒ 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 ☐ No.

If yes, explain This project will increase all aspects of four business share, therefore keeping existing work force & adding more jobs

5. Is the project located in a Highly Distressed Area? ☐ Yes ☒ No

The Agency is required by state law to make a determination that, if completion of a Project benefiting from Agency Financial Assistance results 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

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more plants or facilities of the project occupant located within the state, Agency Financial Assistance is required to prevent the project occupant from relocating out of the state, or is reasonably necessary to preserve the project occupant's competitive position in its respective industry.

Will the Project 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? ☐ Yes ☒ No

Will the Project result in the abandonment of one or more plants or facilities of the Project occupant located within the state? ☐ Yes ☒ No

If Yes to either question, 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: _____

Does the Project involve relocation or consolidation of a project occupant from another municipality?

Within New York State ☐ Yes ☐ No

Within County/City/Town/Village ☒ Yes ☐ No

If Yes to either question, please, explain: Existing Administrative employees will be moved from our Queensbury Rt149 location to the new Lake George Locations as well as sales staff

Section V 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.

PILOT Estimate Table Worksheet

Dollar Value of New Construction and Renovation Costs	Estimated New Assessed Value of Property Subject to IDA*	County Tax Rate/1000	Local Tax Rate (Town/City/Village)/1000	School Tax Rate/1000

*Apply equalization rate to value

PILOT Year	% Payment	County PILOT	Local PILOT	School PILOT	Total PILOT	Full Tax Payment	Net Exemption