

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

Section I: Applicant Information

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: *Adirondack Radiology Associates, P.C.*

Applicant Address: *170 Carey Road, Queensbury, New York 12804*

Phone: *(518) 793-1000*

Fax: *(518) 583-4436*

Website: *adirondackradiology.com*

E-mail: *edhanchett@adirondackradiology.com*

Federal ID#: *14-1539264*

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? *Carey Road Medical Building LLC* (see application submitted by this entity for information below)

Federal ID#: _____

State and Year or Incorporation/Organization: _____

List of stockholders, members, or partners of Real Estate Holding Company: _____

B) Company Contact for this Application:

Name: *Edward Hanchett*

Title: *Executive Director*

Address: *170 Carey Road, Queensbury, New York 12804*

Phone: *(518) 691-0555*

Fax: *(518) 583-4436*

E-Mail: *edhanchett@adirondackradiology.com*

C) Company Counsel:

Name of Attorney: *Todd J. Pinsky*

Firm Name: *Pinsky &Skandalis, P.C.*
Attorneys and Counselors at Law

Address: *6723 Towpath Road, Suite 101*

Phone: *(315) 446-2384*

Fax: *(315) 446-3016*

E-mail: *tpinsky@pinskyskandalis.com*

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

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 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 checked="" 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) <i>Professional Corporation (physician practice partnership)</i>			

Year Established: *1971*

State in which Organization is established: *New York*

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

None – there are currently 9 partners, typically 10 or more, with equal ownership which is less than 20%.

Name

% of ownership

G) Applicant Business Description:

Describe in detail company background, products, customers, goods, and services. Description is critical in determining eligibility: *Applicant is a Physician Practice of radiologists with 85 employees that operates and performs Outpatient Medical Imaging services in the Capital District region including locations in the Warren and Washington counties. Diagnostic services include CAT scan, DEXA scans, Interventional Radiology, Mammography, MRI, Nuclear Medicine, PET/CT, Ultrasound and X-rays. ARA also provides the professional diagnostic interpretations for Medical Imaging exams performed by Glens Falls Hospital (GFH) and Hudson Headwaters Health Network (HHHN). ARA has been a pillar of the Glens Falls community for over 50 years and is vital to the health and well-being of the residents in Warren and Washington county.*

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

Not applicable

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

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

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

Estimated % of sales outside the U.S. _____

(*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.

Section II: Project Description

A) Project Location:

1. Street Address: *170 Carey Road*
2. City/Town where located: *Queensbury, NY*
3. Village where located: *Queensbury*
4. School District where located: *Queensbury*
5. Fire District where located: *West Glens Falls*
6. County where located: ☒ Warren ☐ Washington
7. Tax Parcel Map # for Property where proposed Project will be located: *309.13-2-31.113*

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.

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

See application submitted by Carey Road Medical Building LLC

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

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: _____

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: _____

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):

For Section II B.:

1. *See application submitted by Carey Road Medical Building LLC*
2. *Also please review the two documents attached from Adirondack Radiology Associates, P.C.*
 - a. *WWIDA Project & New Technology Overview*
 - b. *WWIDA – Financial Need*

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):

Per the attached documents the most important reasons include the following.

1. *The ability to invest in new imaging technology and provide State-of-the-Art diagnostic equipment for the residents of Warren and Washington counties which in turn supports Glens Falls Hospital and HHHN physicians.*
2. *The ability to recruit and retain radiologist physicians to the practice which is difficult to the Upstate New York area.*

The Project would not be undertaken but for the Financial Assistance provided by the Agency or, if the Project could be undertaken without Financial Assistance provided by the Agency, then the

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

Project should be undertaken by the Agency for the following reasons (attach additional pages if necessary:

Per the WWIDA document it is already a struggle to maintain a specialty physician practice in this region. In addition, the physicians are required to sign personal guarantees for tenant leases and loans making this a risky decision for each partner without the financial assistance.

If the Applicant is unable to obtain Financial Assistance for the Project, what will be the impact on the Applicant and County/City/Town/Village?

Without the new technology, access to quality care may be limited and/or residents would need to travel to other New York counties to receive diagnostic testing of the same technology. The longest distances for patients to travel in Warren county is 56 miles and Washington county is 63 miles, approximately, based on the northern ends of the counties to Saratoga County.

Without the ability to recruit and retain radiologists, the practice could eventually dissolve. This was the case with the example of Women's Health OB/GYN practice closing their doors in Glens Falls and Saratoga Springs in August 2023.

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

If Yes, please describe:

The preferred financing of the new Open MRI and PET/CT equipment would be through a bridge loan with a local bank. ARA currently has several equipment loans with Glens Falls National Bank. The other options would be through either a FMV lease or a Capital \$1 buyout lease. The estimated total dollars to be financed is \$2,350,000.

Also see application submitted by Carey Road Medical Building LLC for Section II, D. through M.

D) Site Characteristics:

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

Describe the present zoning/land use: _____

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: _____

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: _____

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.

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

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.**

G) Provide any additional information or details: _____

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

H) Select Project Type for all end users at project site (more than one can be checked):

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 *Medical Imaging* ☒
Diagnostic Testing

I) Project Information:

Estimated costs in connection with Project:

- | | |
|---|--------------|
| 1. Land and/or Building Acquisition: | \$ _____ |
| _____ acres _____ square feet | |
| 2. New Building Construction: _____ square feet | \$ _____ |
| 3. New Building Addition(s): _____ square feet | \$ _____ |
| 4. Infrastructure Work | \$ _____ |
| 5. Reconstruction/Renovation: _____ square feet | \$ 893,381 |
| 6. Manufacturing Equipment: <i>New Open MRI & PET/CT</i>
<i>scanners</i> | \$ 2,350,000 |
| 7. Non-Manufacturing Equipment (furniture, fixtures, etc.): | \$ 30,000 |
| 8. Soft Costs: (professional services, etc.): <i>Architectural Fees</i> | \$ 106,000 |
| 9. Other, Specify: _____ | \$ _____ |

TOTAL Capital Costs: \$ 3,379,381

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

\$ N/A

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

Sources of Funds for Project Costs:

Bank Financing: \$ 3,370,881

Equity (excluding equity that is attributed to grants/tax credits) \$ _____

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: \$ _____

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

If Yes, describe particulars: *Architectural Fees of \$8,500 has been paid to complete an initial Schematic Design to verify the space is adequate to add the new imaging equipment and associated patient care and ancillary rooms.*

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): \$ 3,370,881

Estimated Mortgage Recording Tax Exemption Benefit (product of mortgage Amount as indicated above multiplied by 1.25 %): \$ 42,136

See application submitted by Carey Road Medical Building LLC for item below.

Construction Cost Breakdown:

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

Cost for materials: \$ _____

% sourced in County/City/Town/Village: _____ %

% sourced in State: _____ % (incl. County/City/Town/Village)

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

Cost for labor: \$ _____

Estimated number of construction jobs for your project: _____

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:

\$ 2,380,000

Estimated State and local Sales and Use Tax Benefit (product of 7.0 % multiplied by the figure, above):

\$ 166,600

*** 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			
Warehouse			
Research & Development			
Commercial			
Retail (see page 12)			

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

Office			
Specify Other			

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

1. Start date: acquisition of equipment or construction of facilities: *September 2024*
2. Estimated completion date of project: *December 2024*
3. Project occupancy – estimated starting date of operations: *January 2025*
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?

See application submitted by Carey Road Medical Building LLC for items below.

☐ 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: _____

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):

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

	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 Project completion	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 Years after Project Completion **
Full time (FTE)	5	5	1	1
Part Time (PTE)			1	1
Total ***	5	5	1.5	1.5

** 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		
Professional	Physician/Radiologist: \$450,000 - \$650,000 Medical Imaging Technologists: \$50,000 - \$85,000	20-25% of salary
Administrative	Reception, Scheduler & Tech Aide: \$38,000 - \$46,000	20-25% of salary
Production		
Independent Contractor		
Other		

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

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

	Address	Address	Address
Full time			
Part Time			
Total			

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.*

*** 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: _____

Section III: Retail Questionnaire

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

Please answer the following:

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

☒ Yes ☐ No. If the answer is yes, please continue. If no, proceed to section V.

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

- B. What percentage of the cost of the Project will be expended on such facilities or property primarily used in making sales of goods or services to customers who personally visit the project? 80%. **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. There is no analysis – none needed. This is based on having the only Open MRI scanner and PET/CT scanner in Warren and Washington counties.

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. *Please see the two documents attached from Adirondack Radiology Associates, P.C.: WWIDA Project & New Technology Overview & WWIDA – Financial Need*

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

Section IV: Inter-Municipal Move Determination

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 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:

Please see WWIDA – Financial Need attached document.

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:

Please see WWIDA – Financial Need attached document.

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

Section V: PILOT Estimate and Benefit Ratio:

Completed by IDA Staff based upon information contained within the Application and provided to the Applicant for ultimate inclusion as part of this completed Application.

PILOT Estimate Table Worksheet:

Dollar Value 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 Amount	Local PILOT Amount	School PILOT Amount	Total PILOT	Full Tax Payment w/o PILOT	Net Exemption
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
TOTAL							

Estimates provided are based on current property tax rates and assessment value (current as of date of application submission) and have been calculated by IDA's Cost Benefit Software

I, _____, have read and reviewed the above information in Section V completed by the WWIDA.

Signature: _____

Percentage of Project Costs financed from Public Sector Table Worksheet:

Total Project Cost	Estimated Value of PILOT	Estimated Value of Sales Tax Incentive	Estimated Value of Mortgage Tax Incentive	Total of Other Public Incentives (Tax Credits, Grants, ESD Incentives, etc.)

(Est. PILOT + Est. Sales Tax + Est. Mortgage Tax + Other)/Total Project Costs: _____%

Section VI: Representations, Certifications, and Indemnifications

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

_____, (name of CEO or other authorized representative of Applicant)
confirms and says that he/she is the _____ (title) of
_____, (name of corporation or other entity) named in the attached
Application (the "Applicant"), that he/she has read the foregoing Application and knows the contents
thereof, and hereby represents, understands, and otherwise agrees with the Agency and as follows:

- A. Job Listings: In accordance with Section 858-b(2) of the New York General Municipal Law, the Applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, except as otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the Project will be listed with the New York State Department of Labor Community Services Division (the "DOL") and with the administrative entity (collectively with the DOL, the "JTPA Entities") of the service delivery area created by the federal job training partnership act (Public Law 97-300) ("JTPA") in which the Project is located.
- B. First Consideration for Employment: In accordance with Section 858-b(2) of the New York General Municipal Law, the Applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, except as otherwise provided by collective bargaining agreements, where practicable, the Applicant will first consider persons eligible to participate in JTPA programs who shall be referred by the JTPA Entities for new employment opportunities created as a result of the Project.
- C. Annual Sales Tax Filings: In accordance with Section 874(8) of the New York General Municipal Law, the Applicant understands and agrees that, if the Project receives any sales tax exemptions as part of the Financial Assistance from the Agency, in accordance with Section 874(8) of the General Municipal Law, the Applicant agrees to file, or cause to be filed, with the New York State Department of Taxation and Finance, the annual form prescribed by the Department of Taxation and Finance, describing the value of all sales tax exemptions claimed by the Applicant and all consultants or subcontractors retained by the Applicant. Copies of all filings shall be provided to the Agency.
- D. Employment Reports: The Applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, the Applicant agrees to file, or cause to be filed, with the Agency, at least annually or as otherwise required by the Agency, reports regarding the number of people employed at the project site, salary levels, contractor utilization and such other information (collectively, "Employment Reports") that may be required from time to time on such appropriate forms as designated by the Agency. Failure to provide Employment Reports within 30 days of an Agency request shall be an Event of Default under the PILOT Agreement between the Agency and Applicant and, if applicable, an Event of Default under the Agent Agreement between the Agency and Applicant. In addition, a Notice of Failure to provide the Agency with an Employment Report may be reported to Agency board members, said report being an agenda item subject to the Open Meetings Law.

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

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

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

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

- H. This obligation includes an obligation to submit an Agency Fee Payment to the Agency in accordance with the Agency Fee policy effective as of the date of this Application.
- I. By executing and submitting this Application, the Applicant covenants and agrees to pay the following fees to the Agency and for the Agency's general counsel and/or for the Agency's bond/transaction counsel, the same to be paid at the times indicated:

- (i) An application fee of \$1,500.00 with \$750.00 credited towards future administrative fees;
- (ii) Security Deposit: To ensure that the Agency's costs are reimbursed if the project does not proceed, applicant shall pay to the Agency a security deposit equal to one-half of one percent (0.5%) of the cost of the Project or \$10,000.00, whichever is greater. The maximum initial deposit is set at \$25,000.00. Payment shall be made when the Preliminary Agreement is signed.
- (iii) Unless otherwise agreed to by the Agency, an Agency fee as follows:

<u>Cost of Project/Amount of Bonds:</u>	<u>Applicable Percentage:</u>
Up to First \$10,000,000	0.90%
For Next \$10,000,000	0.65%
For Next \$30,000,000	0.40%
Portion over \$50,000,000	0.25%

- (iv) All fees, costs and expenses incurred by the Agency for (1) legal services, including but not limited to those provided by the Agency's general counsel and/or the Agency's bond/transaction counsel, thus note that the Applicant is entitled to receive a written estimate of fees and costs of the Agency's general counsel and the Agency's bond/transaction counsel; and (2) other consultants retained by the Agency in connection with the proposed project, with all such charges to be paid by the Applicant at the closing.
- J. If the Applicant fails to conclude or consummate the necessary negotiations, or fails, within a reasonable or specified period of time, to take reasonable proper or requested action, or withdraws, abandons, cancels, or neglects the Application, or if the Applicant is unable to find buyers willing to purchase the bond issue requested, or if the Applicant is unable to facilitate the sale/leaseback or lease/leaseback transaction, then, upon the presentation of an invoice, Applicant shall pay to the Agency, its agents, or assigns all actual costs incurred by the Agency in furtherance of the Application, up to that date and time, including but not necessarily limited to, fees of the Agency's general counsel and/or the Agency's bond/transaction counsel.
- K. The Applicant acknowledges and agrees that all payment liabilities to the Agency and the Agency's general counsel and/or the Agency's bond and/or transaction counsel as expressed in Sections H and I are obligations that are not dependent on final documentation of the transaction contemplated by this Application.

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

- L. The cost incurred by the Agency and paid by the Applicant, the Agency's general counsel and/or bond/transaction counsel fees and the processing fees, may be considered as a cost of the Project and included in the financing of costs of the proposed Project, except as limited by the applicable provisions of the Internal Revenue Code with respect to tax-exempt bond financing.
- M. The Applicant acknowledges that the Agency is subject to New York State's Freedom of Information Law (FOIL). **Applicant understands that all Project information and records related to this application are potentially subject to disclosure under FOIL subject to limited statutory exclusions.**
- N. The Applicant acknowledges that it has been provided with a copy of the Agency's Policy for Termination of Agency Benefits and Recapture of Agency Benefits Previously Granted (the "Termination and Recapture Policy"). The Applicant covenants and agrees that it fully understands that the Termination and Recapture Policy is applicable to the Project that is the subject of this Application, and that the Agency will implement the Termination and Recapture Policy if and when it is so required to do so. The Applicant further covenants and agrees that its Project is potentially subject to termination of Agency financial assistance and/or recapture of Agency financial assistance so provided and/or previously granted.
- O. The Applicant understands and agrees that the provisions of Section 862(1) of the New York General Municipal Law, as provided below, will not be violated if Financial Assistance is provided for the proposed Project:
- § 862. Restrictions on funds of the agency. (1) No funds of the agency shall be used in respect of any project if the completion thereof would result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state, provided, however, that neither restriction shall apply if the agency shall determine on the basis of the application before it that the project is reasonably necessary to discourage the project occupant from removing such other plant or facility to a location outside the state or is reasonably necessary to preserve the competitive position of the project occupant in its respective industry.
- P. The Applicant confirms and acknowledges that the owner, occupant, or operator receiving Financial Assistance for the proposed Project is in substantial compliance with applicable local, state, and federal tax, worker protection and environmental laws, rules and regulations.
- Q. The Applicant confirms and acknowledges that the submission of any knowingly false or knowingly misleading information may lead to the immediate termination of any Financial Assistance and the reimbursement of an amount equal to all or part of any tax exemption claimed by reason of the Agency's involvement the Project.
- R. The Applicant confirms and hereby acknowledges that as of the date of this Application, the Applicant is in substantial compliance with all provisions of Article 18-A of the New York General Municipal Law, including, but not limited to, the provision of Section 859-a and Section 862(1) of the New York General Municipal Law.
- S. The Applicant and the individual executing this Application on behalf of Applicant acknowledge that the Agency and its counsel will rely on the representations and covenants made in this Application when acting hereon and hereby represents that the statements made herein do not

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

contain any untrue statement of a material fact and do not omit to state a material fact necessary to make the statements contained herein not misleading.

STATE OF NEW YORK)
COUNTY OF SARATOGA) ss.:

EDWARD L. HANCHETT

, being first duly sworn, deposes and says:

1. That I am the Executive Director (Corporate Office) of Adirondack Radiology Associates, P.C. (Applicant) and that I am duly authorized on behalf of the Applicant to bind the Applicant.
2. That I have read the attached Application, I know the contents thereof and I subscribe and affirm, under penalty of perjury that to the best of my knowledge and belief, this Application and the contents of this Application are true, accurate and complete.

Edward L. Hanchett
(Signature of Officer)

Sworn before me on this 11th day of July, 2024.

Ellen E. Barrass
(Notary Public)

ELLEN E BARRASS
NOTARY PUBLIC-STATE OF NEW YORK
No. 01BA6115165
Qualified in Saratoga County
My Commission Expires 08-30-2028

WWIDA

Project: Building Expansion for New Medical Imaging Technology

Project Location:

Adirondack Radiology North Country

170 Carey Road

Queensbury, NY 12804

Request Reasons for Financial Assistance:

- Challenging healthcare environment:
 - The 2024 Medicare Physician Fee Schedule decreased payments on average by 1.77% for Radiology services. This is upon previous years of continuous decreases especially for Radiologist Physician Practices billing.
 - Example: Source - Diagnostic Radiology Journal September – October 2022 article – “Declining Medicare Reimbursement for Diagnostic Radiology: A 10-Year Analysis Across 50 Imaging Studies”.
 - **Conclusion:** Diagnostic radiology has experienced significant reimbursement cuts over the past decade, most severely among cross sectional modalities. This data further characterizes reimbursement trends for the field and suggests the need for sustainable future reimbursement schedules.
 - Example: Source Aunt Minnie March 29, 2024 article – “How are radiology practices impacted by annual changes to the MPFS?”

Description	CPT Code	Reduction for 2024
Screening mammogram	77067	-2.02%
Breast tomosynthesis	77063	-3.01%
MRI lumbar spine, w/o	72148	-2.76%
CT chest, wo	71250	-2.72%
Ultrasound abdomen, complete	76700	-2.33%

- Physician shortages:
 - Severe shortages in general and especially for radiologists is driving wages higher and recruiting expenses up.
 - Attracting physicians to the upstate New York region is especially difficult.
- Examples:
 - Women’s Care Physician Practices dissolves and closes offices in Glens Falls and Saratoga on August 31, 2023.
 - Interventional Radiologist staffing coverage at Glens Falls Hospital, on-site and via on call, will change from 24/7 to only 7:30 Am to 5:00 Pm seven days a week effective July 1, 2024. This follows suit to other specialty practices, such Anesthesiology and Orthopedics, reducing hours of service coverage at GFH.

- Radiologist On-site Coverage Needs:
 - Operating Radiology services requires direct physician supervision for many of the procedures performed per Medicare rules.
 - Building out the unfinished side of the Carey Road location provides an opportunity to close Advanced Imaging at Baybrook which has been in the same building for 20 years come next year.
 - Since Carey Road already has a radiologist on-site, this would reduce the need to staff one of the current six locations.
 - As a result, it greatly improves radiologist employment recruitment by potentially attracting remote radiologist readers (Teleradiography). A radiologist workflow is completely digital and remote reading has grown tremendously in the past five years which has also increased the competition to recruit new physician employees.
 - Adirondack Radiology Associates (ARA) recently hired its first Teleradiologist with a start date of July 1, 2024. ARA will need to hire more Teleradiologists in the future to sustain the practice.
 - Closing Advanced Imaging at Baybrook is also good timing to take advantage of replacing the original Open MRI and a 11-year old PET/CT scanner with much improved digital technology including AI features (see other document).
- Carey Road Building Expenses:
 - The tenant 2 side of the building has been unfinished since the building open in October 2021 due to lack of an interested party and signed lease.
 - The triple net lease for tenant 1 side requires ARA to cover 100% of the Property and School taxes as well as the common area maintenance expenses without tenant 2 side occupied.
 - The total charges for 2023 was \$175,355 which equates to \$12.07 psf. This is at the very high end of the market for this region.
 - The Property and School taxes accounts for \$61,778 or 35.2% of the total charges.
 - Sales Tax on the two new equipment purchase will be approximately \$164,500.
 - The tenant build-out cost is expected to be approximately \$850,000 which will require a loan.
 - Closing the Baybrook location reduces duplicative expenses by approximately \$152,000 per year.
 - With that said, this project is a huge financial burden and without assistance in the range of \$300,000 minimum and preferably \$350,000 this project may not be possible.

WWIDA

Project: Building Expansion for New Medical Imaging Technology

Project Location:

Adirondack Radiology North Country

170 Carey Road

Queensbury, NY 12804

Project Description:

The unfinished side of the Carey Road building will be completed and will offer new medical imaging technology to the residents of Warren and Washington counties. This newer technology will replace much older equipment. The two imaging scanners listed below will be the only one of their kind in the two counties.

Background:

Medical Imaging is an essential and invaluable service to diagnosing a multitude of patient conditions and diseases. Physicians and midlevel providers depend greatly upon these services to identify a root cause to a patient's complaints and symptoms which in turn leads to a patient care treatment plan. Imaging technology is also very useful in monitoring the effectiveness of the care plan and any reoccurrence of the disease.

The two pieces of equipment described below will be the only ones of their specific type in all of Warren and Washington counties.

New Medical Imaging Equipment:

1. Open MRI Scanner:

- Open MRI scanners serve a very useful purpose with claustrophobic patients. Many patients are unable to tolerate an MRI exam in the closed bore scanners which limits their options to an accurate diagnosis.
- New features of the Open MRI technology include the following.

Faster Scan Times:

- The current 20-year old Open MRI scanner requires approximately 45 minutes to complete an exam. This is a long time for a high anxiety patient to remain still or in some cases complete the exam. Thus, image motion is very common leading to poor image quality which potentially affects the accuracy of the diagnosis.
- The new technology offers scan times as short as 15 minutes for a complete MRI exam.
- The shorter scan times also expands scheduling capacity to handle more patients. MRI schedules are often backlogged 2 to 3 weeks out which delays patient diagnosis and care.

AI Image Acquisition & Reconstruction:

- AI has become a critical new frontier for Imaging equipment. The AI technology helps to shorten the scan time and improves the image quality with better resolution allowing the Radiologist to see sharper details and detect even smaller lesions in a patient's body.

- Thus, AI is improving the accuracy of imaging reports and quality of care for patients.

2. PET/CT Scanner:

- Positron Emission Tomography (PET) combined with Computer Axial Tomography (CT or CAT Scan) is a dual scanner that fuses Nuclear Medicine images (PET) with x-ray images (CT). PET/CT exams are vital to diagnosing cancer and metastatic disease, radiation therapy planning, and the treatment response to chemotherapy. It is also rapidly growing in use with other areas discussed below.
- PET imaging is based on injecting a radioisotope into the patient's body. New isotopes are emerging and expanding the need for PET Imaging. The new PET scanner technology will be essential in the following growth areas.
 - Amyloid PET for Alzheimer's disease assessment – emerging and effective treatments for Alzheimer's will increase the need for early detection. PET has been clinically proven to be one of the best imaging methods to identify amyloid protein changes to the brain.
 - Cardiac PET – the FDA is close to approving a new F-18 radioisotope that would replace the need for a Rubidium generator which needs to be located at the imaging site. For this reason, Cardiac PET is very limited due to the extremely short half-life of Rubidium and the cost of housing a generator.
 - Theranostic Cancer Treatment Therapy – new radioisotope tracers are now targeting cancer cells to diagnosis and deliver radiation treatment.
 - The above areas will require greater patient access to PET scans and the new technology discussed below will be required to handle the volume growth.
- New features of the PET/CT technology include the following.
 - Digital Detectors:
 - The current PET/CT unit is 11-years old and operates as an analog scanner. The digital technology has many benefits which facilitates the improvement listed below.
 - Faster Scan Times:
 - Many of the same advantages listed for the Open MRI scanner are also applicable with the PET technology.
 - PET/CT scanners are more expensive to purchase than most MRI units and thus there is even less patient access and availability to PET exams.
 - AI Image Acquisition & Reconstruction:
 - The same AI benefits are also applicable with the PET scanner. Maybe even more so since PET images in general lack definition and resolution compared to other imaging modalities due to the image capture process. AI software and digital detectors has transformed the image quality to a completely new level.