

**DCMB Ventures, LLC  
6315 Candlelight Run  
Victor, NY 14564**

June 18, 2020

To Whom It May Concern,

Attached is our application for financial assistance for the purchase of The Dove Block building, located at 459-465 Exchange Street, Geneva, NY 14456.

We appreciate the opportunity to ask for tax relief for this project. We believe we can make a strong contribution to the growth and economic development of the Geneva community.

The City of Geneva is clearly on the move, and we would welcome the opportunity to add to the current momentum. We are especially excited to be part of the effort to highlight the works of Arthur Dove and his history with Geneva.

In addition to the PILOT program, we are also requesting relief from the closing fees and expenses. We are hopeful that with the smaller size of this project, we could lower the IDA administrative fee to ½ of 1% and the IDA transaction counsel fee to not exceed \$7,500.

The tax relief we are requesting is essential to the viability of the project.

We welcome any questions or clarifications required to assist you in your decision.

Thanks again for your consideration.

Regards,

William P Corbett, III  
Managing Partner

# **CITY OF GENEVA INDUSTRIAL DEVELOPMENT AGENCY**

## **APPLICATION FOR FINANCIAL ASSISTANCE**

DCMB VENTURES LLC

**Sage Gerling  
Executive Director**

47 Castle Street  
Geneva, NY 14456

Phone: 315-789-4393 Fax: 315-789-4294

<http://visitgenevany.com/do-business/industrial-development-agency>

Updated May 2020

# CITY OF GENEVA INDUSTRIAL DEVELOPMENT AGENCY

## APPLICATION FOR FINANCIAL ASSISTANCE

### I. APPLICANT INFORMATION

Company Name: DCMB Ventures LLC  
Mailing Address: 6315 Candlelight Run, Victor, NY 14564  
Phone No.: 585-764-2609  
Fax No.: n/a  
Fed Id. No.: 85-1315446  
Contact Person: Chris Ryczek

Principal Owners/Officers/Directors (list owners with 15% or more in equity holdings with percentage ownership):

William P Corbett III – 39%  
Douglas Alan Kimenhour – 25%

Corporate Structure (*attach schematic if applicant is a subsidiary or otherwise affiliated with another entity*)

#### Form of Entity

☐ Corporation

Date of Incorporation: \_\_\_\_\_  
State of Incorporation: \_\_\_\_\_

☐ Partnership

General \_\_\_\_\_ or Limited \_\_\_\_\_  
Number of general partners \_\_\_\_\_  
If applicable, number of limited partners \_\_\_\_\_

Date of formation \_\_\_\_\_  
Jurisdiction of Formation \_\_\_\_\_

☒ Limited Liability Company/Partnership (number of members 5)

Date of organization: 06/02/2020  
State of Organization: New York

☐ Sole Proprietorship

If a foreign organization, is the applicant authorized to do business in the State of New York?

If any of the above persons, or a group of them, owns more than a 50% interest in the company, list all other organizations which are related to the company by virtue of such persons having more than a 50% interest in such organizations.

n/a

Is the company related to any other organization by reason of more than 50% common ownership? If so, indicate name of related organization and relationship.

n/a

Has the company (or any related corporation or person) made a public offering or private placement of its stock within the last year? If so, please provide offering statement used.

No

#### APPLICANT'S COUNSEL

Name: Underberg & Kessler LLP – Sarah Bothma

Address: 300 Bausch & Lomb Place, Rochester, NY 14604

Phone No.: 585-258-2818

Fax No.: 585-258-2821

#### II. PROJECT INFORMATION

A) Project Address: 459-465 Exchange Street, Geneva, NY 14456

Tax Map Number 104.12-2-7

(Section/Block/Lot)

Located in City of Geneva

Located in Town of \_\_\_\_\_

Located in Village of \_\_\_\_\_

School District of Geneva City School District

B) Are utilities on site?

Water X

Electric X

Gas X

Sanitary/Storm Sewer X

C) Present legal owner of the site Dove Block Restoration Group, Inc.  
If other than from applicant, by what means will the site be acquired for this project? \_\_\_\_\_

D) Zoning of Project Site: Current: X Proposed: \_\_\_\_\_

E) Are any variances needed? None

F) Furnish a copy of any environmental application presently in process of completion concerning this project, providing name and address of the agency, and copy all pending or completed documentation and determinations. N/A

G) Statement describing project (i.e. land acquisition, construction of manufacturing facility, etc.):

Renovation of the Dove Block building with the purpose of opening an art gallery on the first floor, office/mixed use space on the 2<sup>nd</sup> floor and a furniture gallery on the 3<sup>rd</sup> floor.

H) Principal use of project upon completion:

<input type="checkbox"/> manufacturing	<input type="checkbox"/> warehousing	<input type="checkbox"/> research	<input checked="" type="checkbox"/> offices
<input type="checkbox"/> industrial	<input type="checkbox"/> recreation	<input type="checkbox"/> retail	<input type="checkbox"/> residential
<input type="checkbox"/> training	<input type="checkbox"/> data process	<input checked="" type="checkbox"/> other	

If other, explain: Art Gallery - 1<sup>st</sup> Floor

I) Estimated Project Costs, including:

Value of property to be acquired: \$315,000

Value of improvements: \$180,000

Value of equipment to be purchased: \$0

Estimated cost of engineering/architectural services: \$0

Other: \$0

Total Capital Costs: \$180,000

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

\$0

*Sources of Funds for Project Costs:*

Bank Financing:

\$300,000

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

\$195,000

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:

\$495,000

J) Inter-Municipal Move Determination

Will the project result in the removal of a plant or facility of the applicant from one area of the State of New York to another?

☐ Yes or ☒ No

Will the project result in the removal of a plant or facility of another proposed occupant of the project from one area of the State of New York to another area of the State of New York?

☐ Yes or ☒ No

Will the project result in the abandonment of one or more plants or facilities located in the State of New York?

☐ Yes or ☒ No

If Yes to any of the questions above, 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:

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## Project Data

1. Project site (land)

- (a) Indicate approximate size (in acres or square feet) of project site.

16,000 square feet

- (b) Are there buildings now on the project site? ☒ Yes ☐ No

- (c) Indicate the present use of the project site.

vacant building

- (d) Indicate relationship to present user of project.

no relationship

2. Does the project involve acquisition of an existing building or buildings? If yes, indicate number, size and approximate age of buildings:

Yes. Lot size 3,361 square feet. Building built in 1878.

3. Does the project consist of the construction of a new building or buildings? If yes, indicate number and size of new buildings:

No

4. Does the project consist of additions and/or renovations to existing buildings? If yes, indicate nature of expansion and/or renovation:

Yes. HVAC / plumbing / electric / fit-out

5. What will the building or buildings to be acquired, constructed or expanded be used for by the company? (Include description of products to be manufactured, assembled or processed, and services to be rendered. . .

Office / Art Gallery / Furniture Gallery

. . .including the percentage of building(s) to be used for office space and an estimate of the percentage of the functions to be performed at such office not related to the day-to-day operations of the facilities being financed.)

Approx. 1/2 office space usage

6. If any space in the project is to be leased to third parties, indicate total square footage of the project amount to be leased to each tenant and proposed use by each tenant.

5,000sq ft Art Gallery, 5,000sq ft Furniture Gallery, 5,000sq ft Office / Mixed Use

7. List principal items or categories of equipment to be acquired as part of the project.

Presentation Theatre

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8. Has construction work on this project begun?

Complete the following

(a) site clearance	<u>      </u> Yes	<u>X</u> <u>      </u> No	<u>      </u> % complete
(b) foundation	<u>      </u> Yes	<u>X</u> <u>      </u> No	<u>      </u> % complete
(c) footings	<u>      </u> Yes	<u>X</u> <u>      </u> No	<u>      </u> % complete
(d) steel	<u>      </u> Yes	<u>X</u> <u>      </u> No	<u>      </u> % complete
(e) masonry work	<u>      </u> Yes	<u>X</u> <u>      </u> No	<u>      </u> % complete
(f) other (describe below)	<u>X</u> <u>      </u> Yes	<u>      </u> No	<u>0</u> <u>      </u> % complete

**Renovation: No new construction required**

*[Remainder of this Page Intentionally Left Blank]*



III. FINANCIAL ASSISTANCE REQUESTED

A) Benefits Requested:

☒ Sales Tax Exemption    ☐ IRB    ☒ MRT Exemption    ☒ Real Property Agreement

B.) Value of Incentives:

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 under the heading "Real Property Tax Benefit (Detailed)" of the Application.

Estimated duration of Property Tax exemption: 15 Years

Sales and Use Tax:

Estimated value of Sales Tax exemption for facility construction: \$13,500

Estimated Sales Tax exemption for fixtures and equipment: \$2,250

Estimated duration of Sales Tax exemption: One Year

Mortgage Recording Tax Exemption Benefit:

Estimated value of Mortgage Recording Tax exemption: \$3,000

IRB Benefit:

☐ IRB inducement amount, if requested: \$ \_\_\_\_\_

Is a purchaser for the Bonds in place?

☐ Yes or ☐ No

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 under the heading "Estimated Project Costs" (Section II(I)) of the Application.

C.) Likelihood of Undertaking Project without Receiving Financial Assistance

Please confirm by checking the box, below, if there is likelihood that the Project would not be undertaken but for the Financial Assistance provided by the Agency?

☒ Yes or ☐ No

If the Project could be undertaken without Financial Assistance provided by the Agency, then provide a statement in the space provided below indicating why the Project should be undertaken by the Agency:

We are working closely with the Dove Gallery to keep their rent payments low. We are also offering them a 30-yaer lease with minimal increases in their monthly rent payments.

IV. EMPLOYMENT PLAN

	Current # of jobs at proposed project location or to be relocated to 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 THREE 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 THREE Years after Project Completion **
Full time (FTE)	2	2	3	3
Part Time (PTE)			4	4
Total	2	2	7	7

\*\* 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 Marker Area, in the fourth column. The Labor Marker Area includes [ ] (or six other contiguous counties, including Ontario County, chosen at the Agency's discretion).

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

Category of Jobs to be Retained and Created	Average Salary or Range of Salary	Average Fringe Benefits or Range of Fringe Benefits
Management	\$30,000	\$3,000
Professional	\$120,000	\$12,000
Administrative	\$60,000	\$6,000
Production		
Independent Contractor	\$30,000	
Other		

III. REPRESENTATIONS BY THE APPLICANT

The Applicant understands and agrees with the Agency 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 proposed 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 proposed project must 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 Entitle") 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 General Municipal Law, the applicant understands and agrees that, if the proposed project receives any Financial Assistance from the Agency, except as otherwise provided by collective bargaining agreements, where practicable, the applicant must 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 proposed project.
- C. A liability and contract liability policy for a minimum of three million dollars will be furnished by the Applicant insuring the Agency.
- D. Annual Sales Tax Fillings In accordance with Section 874(8) of the General Municipal Law, the Applicant understands and agrees that, if the proposed 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.

- E. Annual Employment Reports The applicant understands and agrees that, if the proposed project receives any Financial Assistance from the Agency, the applicant agrees to file, or cause to be filed, with the Agency, on an annual basis, reports regarding the number of people employed at the project site.
- F. Compliance with N.Y. GML Sec. 862(1): 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.
- G. Compliance with Applicable Laws: 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.
- H. False and Misleading Information: 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.
- I. Recapture: Should the Applicant not expend or hire as presented, the Agency may view such information/status as failing to meet the established standards of economic performance. In such events, some or all of the benefits taken by the Applicant will be subject to recapture.
- J. Absence of Conflicts of Interest The applicant has received from the Agency a list of the members, officers, and employees of the Agency. No member, officers or employee of the Agency has an interest, whether direct or indirect, in any transaction contemplated by this Application, except as herein described.

The Applicant and the individual executing this Application on behalf of applicant acknowledge that the Agency and its counsel will rely on the representations made in this Application when acting hereon and hereby represents that the statements made herein do not contain any untrue statement of a material fact and do not omit to state a material fact necessary to make the statements contained herein not misleading.



STATE OF ~~NEW YORK~~ <sup>Pennsylvania</sup>  
COUNTY OF ~~ONTARIO~~ <sup>Montgomery</sup> ss.:

William P Corbett III, being first duly sworn, deposes and says:

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

  
(Signature of Officer)

Subscribed and affirmed to me under penalties of perjury  
this 18 day of June, 2020

Jamie C. Goon  
(Notary Public)

Commonwealth of Pennsylvania - Notary Seal  
Dorine C. Goodridge, Notary Public  
Montgomery County  
My commission expires October 26, 2022  
Commission number 1031306  
Member, Pennsylvania Association of Notaries

This Application should be submitted to the City of Geneva Industrial Development Agency,  
c/o Frank Cecere, Chairman, 47 Castle Street, Geneva, NY 14456.

The Agency will collect an administrative fee at the time of closing.

**SEE ATTACHED FEE SCHEDULE**

Bond Counsel  
RUSSELL GAENZLE, ESQ.  
Harris Beach PLLC  
99 Garnsey Road  
Pittsford, New York 14534  
Tel: (585) 419-8633  
Fax: (585) 419-8817

Attach copies of preliminary plans or sketches of proposed construction or rehabilitation or both.

Attach the following Financial Information of the Company

1. Financial statements for last two fiscal years (unless included in company's Annual Reports).
2. Company's annual reports (or Form 10-K's) for the two most recent fiscal years.
3. Quarterly reports (Form 10Q's) and current reports (Form 8-K's) since the most recent Annual Report, if any.
4. In addition, please attach the financial information described above in items 1, 2 and 3 of any expected Guarantor of the proposed bond issue, if different from the company.



## HOLD HARMLESS AGREEMENT

Applicant hereby releases the CITY OF GENEVA INDUSTRIAL DEVELOPMENT AGENCY and the members, officers, servants, agents and employees thereof (the "Agency") from, 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 (A) the Agency's examination and processing of, and action pursuant to or upon, the attached Application, regardless of whether or not the Application or the Project described therein or the tax exemptions and other assistance requested therein are favorably acted upon by the Agency, (B) the Agency's acquisition, construction and/or installation of the Project described therein and (C) any further action taken by the Agency with respect to the Project; including without limiting the generality of the foregoing, all causes of action and attorneys' 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 Agency or the Applicant are unable to reach final agreement with respect to the Project, then, and in the event, upon presentation of an invoice itemizing the same, the Applicant shall pay to the Agency, its agents or assigns, all costs incurred by the Agency in processing of the Application, including attorneys' fees, if any.

  
(Applicant Signature)

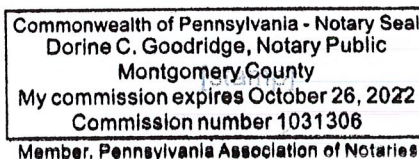
By: DCMB VENTURES LLC

Name: WILLIAM P. CORBETT III

Title: MANAGING PARTNER

  
(Notary Public)

Sworn to before me this 18 day  
of June, 2020



# Real Property Tax Benefits

## 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 (City, BID, Worker's Comp)	School Tax Rate/1000 (Includes Library)	Total Tax Rate
\$180,000	\$495,000	6.74499	21.3937	23.27215	51.41084

PILOT Year	% Payment	County PILOT Amount	Local PILOT (City, WC, BID)	School PILOT (Library included)	Total PILOT	Full TAX Payment w/o PILOT	Net Exemption
1	43%	\$1,443.18	\$4,577.45	\$4,979.37	\$11,000.00	\$25,448.37	\$14,448.37
2	45%	\$1,508.77	\$4,785.52	\$5,205.71	\$11,500.00	\$25,448.37	\$13,948.37
3	47%	\$1,574.37	\$4,993.59	\$5,432.04	\$12,000.00	\$25,448.37	\$13,448.37
4	49%	\$1,639.97	\$5,201.65	\$5,658.38	\$12,500.00	\$25,448.37	\$12,948.37
5	51%	\$1,705.57	\$5,409.72	\$5,884.71	\$13,000.00	\$25,448.37	\$12,448.37
6	53%	\$1,771.17	\$5,617.78	\$6,111.05	\$13,500.00	\$25,448.37	\$11,948.37
7	55%	\$1,836.77	\$5,825.85	\$6,337.38	\$14,000.00	\$25,448.37	\$11,448.37
8	57%	\$1,902.37	\$6,033.92	\$6,563.72	\$14,500.00	\$25,448.37	\$10,948.37
9	59%	\$1,967.97	\$6,241.98	\$6,790.05	\$15,000.00	\$25,448.37	\$10,448.37
10	61%	\$2,033.57	\$6,450.05	\$7,016.39	\$15,500.00	\$25,448.37	\$9,948.37
11	63%	\$2,099.17	\$6,658.11	\$7,242.72	\$16,000.00	\$25,448.37	\$9,448.37
12	65%	\$2,164.76	\$6,866.18	\$7,469.06	\$16,500.00	\$25,448.37	\$8,948.37
13	67%	\$2,230.36	\$7,074.25	\$7,695.39	\$17,000.00	\$25,448.37	\$8,448.37
14	69%	\$2,295.96	\$7,282.31	\$7,921.73	\$17,500.00	\$25,448.37	\$7,948.37
15	71%	\$2,361.56	\$7,490.38	\$8,148.06	\$18,000.00	\$25,448.37	\$7,448.37
TOTALS	57%	\$28,535.53	\$90,508.73	\$98,455.75	\$217,500.00	\$381,725.49	\$164,225.49

## Cost Benefit Analysis:

### **To be completed/calculated by AGENCY**

	<u>Costs =</u> <u>Financial Assistance</u>	<u>Benefits =</u> <u>Economic Development</u>
*Estimated Sales Tax Exemption	\$ <u>15,750</u>	New Jobs Created Permanent <u>  7  </u> Temporary <u>    </u>
		Existing Jobs Retained Permanent <u>  2  </u> Temporary <u>    </u>
Estimated Mortgage Tax Exemption	\$ <u>3,000</u>	Expected Yearly Payroll \$436,000
Estimated Property Tax Abatement	\$ <u>164,225.49</u>	Expected Gross Receipts \$ <u>20,000</u>
		Additional Revenues to School Districts
		_____
		_____
		_____
		Additional Revenues to Municipalities
		_____
		_____
		_____
		Other Benefits <u>Activation of Anchor Downtown Vacant Building, First Floor Community Art Gallery, Additional Office Space and Out-of-town Visitors for Business &amp; Gallery</u>
Estimated Interest Savings IRB Issue	\$ <u>0</u>	Private Funds invested \$ <u>495,000</u>
		Likelihood of accomplishing proposed project within three (3) years
		<input checked="" type="checkbox"/> Likely or <input type="checkbox"/> Unlikely

\* Estimated Value of Goods and Services to be exempt from sales and use tax as a result of the Agency's involvement in the Project. PLEASE NOTE: These amounts will be verified and there is a potential for a recapture of sales tax exemptions (see "Recapture" on page 11).

\$ 210,000 (to be used on the NYS ST-60)

**FINAL RESOLUTION**  
*(DCMB Ventures LLC Project)*

A regular meeting of The City of Geneva Industrial Development Agency was convened on Wednesday, July 29, 2020.

The following resolution was duly offered and seconded, to wit:

Resolution No. 07-2020

RESOLUTION OF THE CITY OF GENEVA INDUSTRIAL DEVELOPMENT AGENCY (THE "AGENCY") (i) ACCEPTING AN APPLICATION WITH RESPECT TO A CERTAIN PROJECT (DEFINED BELOW); (ii) ACKNOWLEDGING THE PUBLIC HEARING HELD BY THE AGENCY ON JULY 29, 2020, WITH RESPECT TO THE DCMB VENTURES LLC (THE "COMPANY") PROJECT (AS FURTHER DESCRIBED BELOW); (iii) APPOINTING THE COMPANY AS AGENT OF THE AGENCY; (iv) AUTHORIZING FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF (A) A SALES AND USE TAX EXEMPTION FOR PURCHASES AND RENTALS RELATED TO THE ACQUISITION, CONSTRUCTION, RECONSTRUCTION, RENOVATION AND EQUIPPING OF THE PROJECT, (B) A MORTGAGE RECORDING TAX EXEMPTION AS PERMITTED BY NEW YORK STATE LAW, AND (C) A REAL PROPERTY TAX ABATEMENT STRUCTURED THROUGH A TAX AGREEMENT; AND (v) AUTHORIZING THE NEGOTIATION, EXECUTION AND DELIVERY OF A PROJECT AGREEMENT, LEASE AGREEMENT, LEASEBACK AGREEMENT, TAX AGREEMENT, MORTGAGE AND RELATED DOCUMENTS WITH RESPECT TO THE PROJECT.

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York (the "State"), as amended, and Chapter 552 of the Laws of 1981 of the State of New York, as amended (hereinafter collectively called the "Act"), **THE CITY OF GENEVA INDUSTRIAL DEVELOPMENT AGENCY** (the "Agency") was created with the authority and power to own, lease and sell property for the purpose of, among other things, acquiring, constructing and equipping industrial, manufacturing and commercial facilities as authorized by the Act; and

WHEREAS, **DCMB VENTURES LLC** for itself or on behalf of an entity formed or to be formed by it or on its behalf (the "Company"), has submitted an application (the "Application") to the Agency, a copy of which is on file with the Agency, requesting the Agency's assistance with respect to a certain project (the "Project"), consisting of: (i) the acquisition by the Agency of a leasehold or other interest in certain property located at 459-465 Exchange Street in the City of Geneva, New York, Ontario County, New York (the "Land") and the existing improvements located thereon, consisting principally of an approximately three-story, 16,000 square foot building a/k/a The Dove Block building (the "Existing Improvements"), (ii) the renovation of the Existing Improvements, including, but not limited to,

the fit-out of The Dove Block building, together with new HVAC, plumbing, and electric, all for the purpose of accommodating an art gallery, furniture gallery and office and mixed-use space (collectively, the "Improvements"), and (iii) the acquisition by the Company in and around the Improvements of certain items of machinery, equipment and other tangible personal property (the "Equipment"; and, together with the Land, the Existing Improvements and the Improvements, the "Facility"); and

WHEREAS, pursuant to Article 18-A of the Act the Agency desires to adopt a resolution approving the Project and the Financial Assistance (as defined below) that the Agency is contemplating with respect to the Project; and

WHEREAS, it is contemplated that the Agency will (i) designate the Company as agent of the Agency for the purpose of undertaking the Project pursuant to a project agreement (the "Project Agreement"), (ii) negotiate and enter into a lease agreement (the "Lease Agreement"), a leaseback agreement (the "Leaseback Agreement"), a tax agreement (the "Tax Agreement") and related documents with the Company, (iii) take or retain title to or a leasehold interest in the Land, the Improvements, the Equipment and personal property constituting the Project (once the Lease Agreement, the Leaseback Agreement and the Tax Agreement have been negotiated), and (iv) provide financial assistance to the Company in the form of (a) a sales and use tax exemption for purchases and rentals related to the acquisition, construction and equipping of the Project, (b) an exemption from the mortgage recording tax as authorized by the laws of the State for financing related to the Project, and (c) a real property tax abatement structured through the Tax Agreement (collectively, the "Financial Assistance"); and

WHEREAS, pursuant to the New York State Environmental Quality Review Act, Article 8 of the Environmental Conservation Law and the regulations adopted pursuant thereto at 6 N.Y.C.R.R. Part 617, as amended (collectively referred to as "SEQRA"), the Agency must satisfy the applicable requirements set forth in SEQRA, as necessary, prior to making a final determination whether to undertake the Project; and

WHEREAS, pursuant to Section 859-a of the Act, on Wednesday, July 29, 2020, at 4:00 p.m., local time, the Agency held a public hearing via teleconference with respect to the Project and the proposed Financial Assistance being contemplated by the Agency (the "Public Hearing"), whereat interested parties were provided a reasonable opportunity, both orally and in writing, to present their views; a copy of the Notice of Public Hearing published in *The Finger Lakes Times*, the affidavit of publication of such newspaper, and Minutes of the Public Hearing are attached hereto as **Exhibit A**; and

WHEREAS, the Project Agreement, the Lease Agreement, the Leaseback Agreement, the Tax Agreement and related documents have been negotiated and will be presented to the Agency for execution subject to the approval of this resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE CITY OF GENEVA INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. The Company has presented an Application in a form acceptable to the Agency. Based upon the representations made by the Company to the Agency in the



Application, the Agency hereby finds and determines that:

(A) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and

(B) It is desirable and in the public interest for the Agency to appoint the Company as its agent for purposes of acquiring, constructing and equipping the Project; and

(C) The Agency has the authority to take the actions contemplated herein under the Act; and

(D) The action to be taken by the Agency will induce the Company to develop the Project, thereby increasing employment opportunities in the City of Geneva, New York and otherwise furthering the purposes of the Agency as set forth in the Act; and

(E) The Project will not result in the removal of a facility or commercial, industrial, or manufacturing plant of the Company or any other proposed occupant of the Project from one area of the State to another area of the State or result in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Project located within the State; and the Agency hereby finds that, based on the Application, to the extent occupants are relocating from one plant or facility to another, the Project is reasonably necessary to discourage the Project occupants from removing such other plant or facility to a location outside the State and/or is reasonably necessary to preserve the competitive position of the Project occupants in their respective industries; and

(F) Based upon a review of the Application, the Agency has identified the Project as a "Type II Action" pursuant to SEQRA and 6 N.Y.C.R.R. Part 617.5(c)(2). Therefore, no formal SEQRA review or finding is required.

Section 2. The Public Hearing held by the Agency on July 29, 2020, concerning the Project and the Financial Assistance, was duly held in accordance with the Act, including, but not limited to, the giving of at least ten (10) days published notice of the Public Hearing (such notice also being provided to the Chief Executive Officer of each affected tax jurisdiction), affording interested parties a reasonable opportunity, both orally and in writing, to present their views with respect to the Project.

Section 3. The Agency is hereby authorized to provide to the Company the Financial Assistance in the form of (a) a sales and use tax exemption for purchases and rentals related to the acquisition, construction, reconstruction, renovation and equipping of the Project, (b) a mortgage recording tax exemption as permitted by State law, and (c) a real property tax abatement structured through the Tax Agreement.

Section 4. Based upon representations and warranties made by the Company in the Application, the Agency hereby authorizes and approves the Company, as its agent, to make purchases of goods and services relating to the Project, that would otherwise be subject to State

and local sales and use tax in an amount up to **\$210,000**, which result in State and local sales and use tax exemption benefits ("Sales and Use Tax Exemption Benefits") not to exceed **\$15,750**. The Agency agrees to consider any requests by the Company for an increase to the amount of Sales and Use Tax Exemption Benefits authorized by the Agency upon being provided with appropriate documentation detailing the additional purchases of property or services.

**Section 5.** Pursuant to Section 875(3) of the Act, the Agency may recover or recapture from the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, any Sales and Use Tax Exemption Benefits taken or purported to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, if it is determined that: (i) the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, is not entitled to the Sales and Use Tax Exemption Benefits; (ii) the Sales and Use Tax Exemption Benefits are in excess of the amounts authorized to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project; (iii) the Sales and Use Tax Exemption Benefits are for property or services not authorized by the Agency as part of the Project; or (iv) the Sales and Use Tax Exemption Benefits are taken in cases where the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, fails to comply with a material term or condition to use property or services in the manner approved by the Agency in connection with the Project. As a condition precedent of receiving Sales and Use Tax Exemption Benefits, the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, shall (i) cooperate with the Agency in its efforts to recover or recapture any Sales and Use Tax Exemption Benefits, and (ii) promptly pay over any such amounts to the Agency that the Agency demands.

**Section 6.** Subject to the Company executing the Project Agreement and the delivery to the Agency of a binder, certificate or other evidence of liability insurance policy for the Project satisfactory to the Agency, the Agency hereby authorizes the Company to proceed with the acquisition, construction and equipping of the Project and hereby appoints the Company as the true and lawful agent of the Agency: (i) to acquire, reconstruct, renovate and equip the Project; (ii) to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agent for the Agency with the authority to delegate such agency, in whole or in part, to agents, subagents, contractors, and subcontractors of such agents and subagents and to such other parties as the Company chooses; and (iii) in general, to do all things which may be requisite or proper for completing the Project, all with the same powers and the same validity that the Agency could do if acting in its own behalf; *provided, however*, the Project Agreement shall expire on **August 31, 2021** (unless extended for good cause by the President/CEO of the Agency) if the Lease Agreement, the Leaseback Agreement and the Tax Agreement contemplated have not been executed and delivered

**Section 7.** The Agency is hereby authorized to provide the Company with an exemption from mortgage recording taxes as permitted by New York State law in an amount not to exceed Three Thousand and 00/100 Dollars (**\$3,000**).

Section 8. The Executive Director, Chair and/or Vice Chair of the Agency are hereby authorized, on behalf of the Agency, to negotiate and enter into (A) the Project Agreement, (B) the Lease Agreement, pursuant to which the Company leases the Project to the Agency, (C) the related Leaseback Agreement, pursuant to which the Agency leases its interest in the Project back to the Company, and (D) the Tax Agreement; *provided, however*, (i) the rental payments under the Leaseback Agreement include payments of all costs incurred by the Agency arising out of or related to the Project and indemnification of the Agency by the Company for actions taken by the Company and/or claims arising out of or related to the Project and (ii) the terms of the Tax Agreement are consistent with the Agency's Uniform Tax Exemption Policy or the procedures for deviation have been complied with.

Section 9. The Executive Director, Chair and/or Vice Chair of the Agency are hereby authorized, on behalf of the Agency, to execute, deliver and record any mortgage, security agreement, UCC-1 Financing Statements and all documents reasonably contemplated by these resolutions or required by any lender identified by the Company (the "Lender") (collectively, the "Mortgage") necessary to undertake the Project, acquire the Facility and/or finance or refinance the Facility or equipment and other personal property and related transactional costs (hereinafter, with the Project Agreement, Lease Agreement, Leaseback Agreement, Tax Agreement and the Mortgage, collectively called the "Agency Documents"); and, where appropriate, the Secretary or Assistant Secretary of the Agency is hereby authorized to affix the seal of the Agency to the Agency Documents and to attest the same, all with such changes, variations, omissions and insertions as the Executive Director, Chair and/or Vice Chair of the Agency shall approve, the execution thereof by the Executive Director, Chair and/or Vice Chair of the Agency to constitute conclusive evidence of such approval; provided in all events recourse against the Agency is limited to the Agency's interest in the Project.

Section 10. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required and to execute and deliver all such certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolutions and to cause compliance by the Agency with all of the terms, covenants and provisions of the documents executed for and on behalf of the Agency.

Section 11. These Resolutions shall take effect immediately upon adoption.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

	<i><b>Yea</b></i>	<i><b>Nay</b></i>	<i><b>Absent</b></i>	<i><b>Abstain</b></i>
Teresa Angelo	[ X ]	[ ]	[ ]	[ ]
Frank Cecere	[ ]	[ ]	[ X ]	[ ]
Anne Nenneau	[ X ]	[ ]	[ ]	[ ]
R.J. Passalacqua	[ ]	[ ]	[ X ]	[ ]
Rick Bley	[ X ]	[ ]	[ ]	[ ]
Lowell Dewey	[ X ]	[ ]	[ ]	[ ]
Carole Brown	[ X ]	[ ]	[ ]	[ ]

The Resolutions were thereupon duly adopted.

**SECRETARY'S CERTIFICATION**  
*(DCMB Ventures LLC Project)*

STATE OF NEW YORK                     )  
COUNTY OF ONTARIO                ) SS.:

I, the undersigned Secretary of The City of Geneva Industrial Development Agency, DO HEREBY CERTIFY:

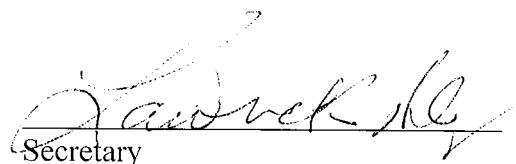
That I have compared the annexed extract of minutes of the meeting of The City of Geneva Industrial Development Agency (the "Agency"), including the resolution contained therein, held on July 29, 2020, with the original thereof on file in the Agency's office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolution set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

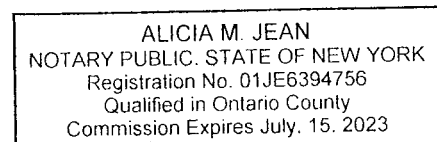
I FURTHER CERTIFY, that all members of said Agency had due notice of said meeting, that the meeting was in all respects duly held and that, pursuant to Article 7 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public, and that public notice of the time and place of said meeting was duly given in accordance with such Article 7.

I FURTHER CERTIFY, that there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY, that as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or modified.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Agency this 29<sup>th</sup> day of July, 2020.

  
Secretary  
Lawrence R. Riley



*Alicia M. Jean*

**Exhibit A**

Notice Letter, Notice of Public Hearing,  
of Publication of *The Finger Lakes Times* and Minutes of Public Hearing

[Attached Hereto]



## AGENT AGREEMENT

THIS AGREEMENT, dated as of the 15th day of January, 2021 by and between the **CITY OF GENEVA INDUSTRIAL DEVELOPMENT AGENCY**, a public benefit corporation of the State of New York, having its offices at 47 Castle Street, Geneva, New York 14456 (the "Agency") and **DCMB VENTURES, LLC**, a New York limited liability company with offices at 6315 Candlelight Run, Victor, New York 14564 (the "Company").

### WITNESSETH:

WHEREAS, the Agency was created by Chapter 552 of the Laws of 1981 of the State of New York pursuant to Title I of Article 18-A of the General Municipal Law of the State of New York (collectively, the "Act") as a body corporate and politic and as a public benefit corporation of the State of New York; and

WHEREAS, the Company has requested the Agency's assistance with a certain project (the "Project") consisting of: (i) the acquisition by the Agency of a leasehold or other interest in certain property located at 459-465 Exchange Street in the City of Geneva, New York, Ontario County, New York (the "Land") and the existing improvements located thereon, consisting principally of an approximately three-story, 16,000 square foot building a/k/a The Dove Block building (the "Existing Improvements"), (ii) the renovation of the Existing Improvements, including, but not limited to, the fit-out of The Dove Block building, together with new HVAC, plumbing, and electric, all for the purpose of accommodating an art gallery, furniture gallery and office and mixed-use space (collectively, the "Improvements"), and (iii) the acquisition by the Company in and around the Improvements of certain items of machinery, equipment and other tangible personal property (the "Equipment"; and, together with the Land, the Existing Improvements and the Improvements, the "Facility"); and

WHEREAS, by Resolution adopted on July 29, 2020 (the "Resolution"), the Agency authorized the Company to act as its agent for the purposes of undertaking the Project subject to the Company entering into this Agent Agreement and, pursuant to the Resolution and this Agent Agreement, the Company has the power to delegate such agency, in whole or in part, to agents, subagents, contractors, subcontractors, contractors and subcontractors of such agents and subagents and to such other parties as the Company chooses including but not limited to the individuals and entities described on Schedule A attached hereto. The Company shall have the right to amend Schedule A from time to time and shall be responsible for maintaining an accurate list of all parties acting as agent for the Agency.

NOW THEREFORE, in consideration of the covenants herein contained and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, it is mutually agreed as follows:

1. Scope of Agency. The Company hereby agrees to limit its activities as agent for the Agency under the authority of the Resolution to acts reasonably related to the acquisition, construction and equipping of the Facility and the installation thereof in and around the Facility of the Equipment. The right of the Company to act as agent of the Agency shall expire on

**August 31, 2021**, unless extended as contemplated by the Resolution. The aggregate amount of work performed as Agent for the Agency shall not exceed the amounts described in the Application of the Company in this matter. All contracts entered into by the Company as agent for the Agency shall include the following language:

"This contract is being entered into by **DCMB Ventures, LLC/[Subagent]** (the "Agent"), as agent for and on behalf of the **City of Geneva Industrial Development Agency** (the "Agency"), in connection with a certain project of the Agency for the benefit of the Agent consisting in part of the acquisition and installation of certain machinery, equipment and building materials, all for incorporation and installation in certain premises located at 459-465 Exchange Street, Geneva, New York (the "Premises"). The machinery, equipment and building materials to be incorporated and installed in the Premises and all services and rentals of equipment related to the acquisition, construction and equipping of the Project shall be exempt from all New York State and local sales and use taxes if the acquisition thereof is effected in accordance with the terms and conditions of the attached sales tax exemption procedures cover letter of the Agency; and the Agent hereby represents that this contract is in compliance with the terms of that certain Agent Agreement, dated as of January 15, 2021, by and between the Agency and DCMB Ventures, LLC (the "Agent Agreement"). This contract is non-recourse to the Agency, and the Agency shall not be directly, indirectly or contingently liable or obligated hereunder in any manner or to any extent whatsoever. By execution or acceptance of this contract, the vendor/contractor hereby acknowledges and agrees to the terms and conditions set forth in this paragraph."

2. Representations and Covenants of the Company. The Company makes the following representations and covenants in order to induce the Agency to proceed with the Project:

(a) The Company is a limited liability company duly formed and validly existing under the laws of the State of New York (the "State"), has the authority to enter into this Agreement and has duly authorized the execution and delivery of this Agreement.

(b) Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby nor the fulfillment of or compliance with the provisions of this Agreement will conflict with or result in a breach of any of the terms, conditions or provisions of any restriction or any agreement or instrument to which the Company is a party or by which it is bound, or will constitute a default under any of the foregoing, or result in the creation or imposition of any lien of any nature upon any of the property of the Company under the terms of any such instrument or agreement.

(c) The Facility and the operation thereof will conform with all applicable zoning, planning, building and environmental laws and regulations of governmental authorities having jurisdiction over the Facility, and the Company shall defend, indemnify and hold the Agency

harmless from any liability or expenses resulting from any failure by the Company to comply with the provisions of this subsection (c).

(d) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body pending or, to the knowledge of the Company, threatened against or affecting the Company, to which the Company is a party, and in which an adverse result would in any way diminish or adversely impact on the Company's ability to fulfill its obligations under this Agreement.

(e) The Company covenants that the Facility will comply in all respects with all environmental laws and regulations, and, except in compliance with environmental laws and regulations, (i) that no pollutants, contaminants, solid wastes, or toxic or hazardous substances will be stored, treated, generated, disposed of, or allowed to exist on the Facility except in compliance with all material applicable laws, (ii) the Company will take all reasonable and prudent steps to prevent an unlawful release of hazardous substances onto the Facility or onto any other property, (iii) that no asbestos will be incorporated into or disposed of on the Facility, (iv) that no underground storage tanks will be located on the Facility, and (v) that no investigation, order, agreement, notice, demand or settlement with respect to any of the above is threatened, anticipated, or in existence. The Company upon receiving any information or notice contrary to the representations contained in this Section shall immediately notify the Agency in writing with full details regarding the same. The Company hereby releases the Agency from liability with respect to, and agrees to defend, indemnify, and hold harmless the Agency, its executive director, directors, members, officers, employees, agents (except the Company), representatives, successors, and assigns from and against any and all claims, demands, damages, costs, orders, liabilities, penalties, and expenses (including reasonable attorneys' fees) related in any way to any violation of the covenants or failure to be accurate of the representations contained in this Section. In the event the Agency in its reasonable discretion deems it necessary to perform due diligence with respect to any of the above, or to have an environmental audit performed with respect to the Facility, the Company agrees to pay the expenses of same to the Agency upon demand, and agrees that upon failure to do so, its obligation for such expenses shall be deemed to be additional rent.

(f) Any personal property acquired by the Company in the name of the Agency shall be located in the City of Geneva, New York, except for temporary periods during ordinary use.

(g) In accordance with Section 875(3) of the New York General Municipal Law, the Company covenants and agrees that, if it receives New York State and local sales and use tax exemption benefits ("sales and use tax exemption benefits") from the Agency, and it is determined that: (i) the Company is not entitled to the sales and use tax exemption benefits; (ii) the sales and use tax exemption benefits are in excess of the amounts authorized by the Agency to be taken by the Company; (iii) the sales and use tax exemption benefits are for property or services not authorized by the Agency as part of the Project; or (iv) the sales and use tax exemption benefits are taken in cases where the Company fails to comply with a material term or condition to use property or services in the manner approved by the Agency in connection with the Project, then the Company will (i) cooperate with the Agency in its efforts to recover or recapture any sales and use tax exemption benefits, and (ii) promptly pay over any such amounts

to the Agency that the Agency demands in connection therewith. The Company further understands and agrees that in the event that the Company fails to pay over such amounts to the Agency, the New York State Tax Commissioner may assess and determine New York State and local sales and use taxes due from the Company, together with any relevant penalties and interest due on such amounts.

(h) The Company further covenants that the purchase of goods and services relating to the Project and subject to New York State and local sales and use taxes are estimated in amount up to **\$210,000**, and, therefore, the value of the sales and use tax exemption benefits authorized and approved by the Agency cannot exceed **\$15,750**.

(i) The Company further covenants and agrees to complete "IDA Appointment of Project Operator or Agent For Sales Tax Purposes" (NYS Form ST-60), in the form attached hereto as Exhibit A, for each agent, subagent, contractor, subcontractor, if any, contractors or subcontractors of such agents and subagents, if any, and to such other parties as the Company chooses who provide materials, equipment, supplies or services and execute said form as agent for the Agency (or have the general contractor, if any or other designated subagent execute) and forward said form to the State Department of Taxation and Finance within thirty (30) days of appointment.

(j) The Company further covenants and agrees to file an annual statement with the State Department of Taxation and Finance on "Annual Report of Sales and Use Tax Exemptions" (NYS Form ST-340), in the form attached hereto as Exhibit B, regarding the value of sales and use tax exemptions the Company, its agents, subagents, consultants or subcontractors have claimed pursuant to the agency conferred on the Company with respect to the Project in accordance with General Municipal Law Section 874(8). The Company further covenants and agrees that it will, within thirty (30) days of each filing, provide a copy of same to the Agency; provided, however, in no event later than February 15<sup>th</sup> of each year. The Company understands and agrees that the failure to file such annual statement will result in the removal of the Company's authority to act as agent for the Agency.

(k) The Company acknowledges and agrees that all purchases made in furtherance of the Project shall be made using "IDA Agent or Project Operator Exempt Purchase Certificate" (NYS Form ST-123, a copy of which is attached hereto as Exhibit C, and it shall be the responsibility of the Company (and not the Agency) to complete NYS Form ST-123. The Company acknowledges and agrees that it shall identify the Project on each bill and invoice for such purchases and further indicate on such bills or invoices that the Company is making purchases of tangible personal property or services for use in the Project as agent of the Agency. For purposes of indicating who the purchaser is, the Company acknowledges and agrees that the bill or invoice should state:

"I, the \_\_\_\_\_ of [DCMB Ventures, LLC / Subagent], certify that I am a duly appointed agent of the City of Geneva Industrial Development Agency ("IDA") and that I am purchasing the tangible personal property or services for use in the following IDA project and that such purchases qualify as exempt from sales and use taxes under the agent agreement with the City of Geneva Industrial Development Agency."

The Company further acknowledges and agrees that the following information shall be used by the Company to identify the Project on each bill and invoice:

<u>Name of Project:</u>	DCMB Ventures, LLC Project
<u>Street Address of Project Site:</u>	459-465 Exchange Street, City of Geneva, NY
<u>IDA OSC Project Code:</u>	3201-21-01-A

(l) The Company acknowledges and agrees that, except to the extent of bond proceeds (to the extent bonds are issued by the Agency with respect to the Project), the Agency shall not be liable, either directly or indirectly or contingently, upon any such contract, agreement, invoice, bill or purchase order in any manner and to any extent whatsoever (including payment or performance obligations), and the Company shall be the sole party liable thereunder.

3. Hold Harmless Provision. The Company hereby releases the Agency from, agrees that the Agency shall not be liable for, and agrees to indemnify, defend and hold the Agency and its executive director, directors, officers, members employees, agents (except the Company), representatives, successors and assigns harmless from and against any and all (i) liability for loss or damage to property or injury to or death of any and all persons that may be occasioned by any cause whatsoever pertaining to the Facility or arising by reason of or in connection with the occupation, or the use thereof or the presence on, in or about the Facility or breach by the Company of this Agreement or (ii) liability arising from or expense incurred by the Agency's financing, acquiring, rehabilitating, constructing, renovation, equipping, owning and leasing of the Equipment or the Facility, including without limiting the generality of the foregoing, all causes of action and reasonable attorneys' fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. The foregoing indemnities shall apply notwithstanding the fault or negligence on the part of the Agency, or any of its respective members, directors, officers, agents (except the Company) or employees and irrespective of the breach of a statutory obligation or the application of any rule of comparative or apportioned liability, except that such indemnities will not be applicable with respect to willful misconduct or gross negligence on the part of the Agency or any other person or entity to be indemnified.

4. Insurance Required. Effective as of the date hereof and until the Agency consents in writing to a termination, the Company shall maintain or cause to be maintained insurance against such risks and for such amounts as are customarily insured against by businesses of like size and type paying, as the same become due and payable, all premiums in respect thereto, including, but not necessarily limited to:

(a) (i) Insurance against loss or damage by fire, lightning and other casualties, with a uniform standard extended coverage endorsement, such insurance to be in an amount not less than the full replacement value of the Facility, exclusive of excavations and foundations, as determined by a recognized appraiser or insurer selected by the Company or (ii) as an alternative to the above requirements (including the requirement of periodic appraisal), the Company may



insure the Facility under a blanket insurance policy or policies covering not only the Facility but other properties as well.

(b) Workers' compensation insurance, disability benefits insurance, and each other form of insurance which the Agency or the Company is required by law to provide, covering loss resulting from injury, sickness, disability or death of employees of the Company who are located at or assigned to the Facility.

(c) Insurance against loss or losses from liabilities imposed by law or assumed in any written contract and arising from personal injury and death or damage to the property of others caused by any accident or occurrence, with limits of not less than **\$1,000,000** per accident or occurrence on account of personal injury, including death resulting therefrom, and **\$1,000,000** per accident or occurrence on account of damage to the property of others, excluding liability imposed upon the Company by any applicable workers' compensation law; and a blanket excess liability policy in the amount not less than **\$3,000,000**, protecting the Company against any loss or liability or damage for personal injury or property damage.

5. Additional Provisions Respecting Insurance.

(a) All insurance required by Section 4(a) above shall name the Agency as a named insured and all other insurance required under Section 4 above shall name the Agency as an additional insured. All insurance shall be procured and maintained in financially sound and generally recognized responsible insurance companies selected by the Company and authorized to write such insurance in the State. Such insurance may be written with deductible amounts comparable to those on similar policies carried by other companies engaged in businesses similar in size, character and other respects to those in which the Company is engaged. All policies evidencing such insurance shall provide for (i) payment of the losses of the Company and the Agency as their respective interest may appear, and (ii) at least thirty (30) days prior written notice of the cancellation thereof to the Company and the Agency.

(b) All such policies of insurance, or a certificate or certificates of the insurers that such insurance is in force and effect, shall be deposited with the Agency on the date hereof. Prior to expiration of any such policy, the Company shall furnish the Agency evidence that the policy has been renewed or replaced or is no longer required by this Agreement.

6. This Agreement may be executed in any number of counterparts each of which shall be deemed an original but which together shall constitute a single instrument.

7. All notices, claims and other communications hereunder shall be in writing and shall be deemed to be duly given if personally delivered or mailed first class, postage prepaid, as follows:

To the Agency: City of Geneva Industrial Development Agency  
47 Castle Street  
Geneva, New York 14456  
Attn: Executive Director

With a Copy to: Harris Beach PLLC  
99 Garnsey Road  
Pittsford, New York 14534  
Attn: Russell E. Gaenzle, Esq.

To the Company: DCMB Ventures, LLC  
6315 Candlelight Run  
Victor, New York 14564  
Attn: Chris Ryczek

With a Copy to: Underberg & Kessler LLP  
300 Bausch & Lomb Place  
Rochester, New York 14604  
Attn: Sarah Bothma, Esq.

or at such other address as any party may from time to time furnish to the other party by notice given in accordance with the provisions of this Section. All notices shall be deemed given when received or delivery of same is refused by the recipient or personally delivered in the manner provided in this Section.

8. This Agreement shall be governed by, and all matters in connection herewith shall be construed and enforced in accordance with, the laws of the State applicable to agreements executed and to be wholly performed therein and the parties hereto hereby agree to submit to the personal jurisdiction of the federal or state courts located in Ontario County, New York.

9. The parties are contemplating that, after any applicable public hearings, the Agency will negotiate and enter into a lease agreement ("Lease Agreement"), leaseback agreement (the "Leaseback Agreement") and Tax agreement (the "Tax Agreement") with the Company. The Company agrees not to take title to any real property as agent for the Agency until the Lease Agreement, Leaseback Agreement and Tax Agreement have been executed and delivered. At any time prior to the execution of the Lease Agreement, Leaseback Agreement and Tax Agreement, the Agency can transfer title to the Company of all assets acquired by the Company as agent for the Agency. Additionally, at any time prior to execution of the Lease Agreement, Leaseback Agreement and Tax Agreement, the Company can demand that the Agency transfer title to the Company with respect to all assets acquired by the Company as agent for the Agency, provided all amounts owed the Agency have been paid current.

10. By executing this Agent Agreement, the Company covenants and agrees to pay all fees, costs and expenses incurred by the Agency for (i) legal services in connection with the Project, including but not limited to those provided by the Agency's general and transaction counsel, and (ii) other consultants retained by the Agency in connection with the Project; with all

such charges to be paid by the Company at the closing or, if the closing does not occur, within ten (10) business days of receipt of the Agency's invoices therefore. The Company is entitled to receive a written estimate of fees and costs of the Agency's general and transaction counsel.

The Company further covenants and agrees that the Company is liable for payment to the Agency of all charges referred to above, as well as all other actual costs and expenses incurred by the Agency in undertaking the Project notwithstanding the occurrence of any of (i) the Company's withdrawal, abandonment, cancellation or failure to pursue the Project; (ii) the inability of the Agency or the Company to procure the services of one or more financial institutions to provide financing for the Project; or (iii) the Company's failure, for whatever reason, to undertake and/or successfully complete the Project.

[The Balance of This Page Intentionally Left Blank]

[Signature Page to Agent Agreement]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

CITY OF GENEVA INDUSTRIAL  
DEVELOPMENT AGENCY

By: 

Name: Sage Gerling

Title: Executive Director

DCMB VENTURES, LLC

By: \_\_\_\_\_

Name: William Corbett

Title: Managing Member

[Signature Page to Agent Agreement]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

CITY OF GENEVA INDUSTRIAL  
DEVELOPMENT AGENCY

By: \_\_\_\_\_

Name: Sage Gerling

Title: Executive Director

DCMB VENTURES, LLC

By: \_\_\_\_\_

Name: William Corbett

Title: Managing Member

**SCHEDULE A**

<b>LIST OF APPOINTED SUBAGENTS<sup>1</sup></b>	<b>DATE SUBAGENT APPOINTED</b>	<b>DATE FORM ST-60 FILED WITH NYS IDA UNIT</b>
1. _____		
2. _____		
3. _____		
4. _____		
5. _____		
6. _____		
7. _____		
8. _____		
9. _____		
10. _____		
11. _____		
12. _____		
13. _____		
14. _____		

---

<sup>1</sup> FOR EACH SUBAGENT APPOINTED BY THE COMPANY, A NYS FORM ST-60 MUST BE COMPLETED AND FILED WITH NYS DEPARTMENT OF TAXATION AND FINANCE INDICATING THE APPOINTMENT OF SUCH SUBAGENT OF THE COMPANY.

**EXHIBIT A**

**FORM OF NYS FORM ST-60 TO BE COMPLETED  
BY DCMB VENTURES, LLC AND FILED WITH NYS IDA UNIT  
FOR EACH OF ITS SUBAGENTS**

**[Attached Next Page]**





# IDA Appointment of Project Operator or Agent For Sales Tax Purposes

**ST-60**  
(1/18)

The industrial development agency or authority (IDA) **must** submit this form within **30 days** of the appointment of a project operator or agent, whether appointed directly by the IDA or indirectly by the operator or another agent.

**For IDA use only****IDA information**

Name of IDA City of Geneva Industrial Development Agency			IDA project number (use OSC numbering system for projects after 1998) 3201 - 21 - 01A
Street address 47 Castle Street			Telephone number (315) 789-6104
City Geneva	State NY	ZIP code 14456	Email address (optional) N/A

**Project operator or agent information**

Name of IDA project operator or agent		Mark an <b>X</b> in the box if directly appointed by the IDA: <input type="checkbox"/>	Employer identification or Social Security number
Street address		Telephone number ( )	Primary operator or agent? Yes <input type="checkbox"/> No <input type="checkbox"/>
City	State	ZIP code	Email address (optional)

**Project information**

Name of project DCMB Ventures, LLC Project			
Street address of project site 459-465 Exchange Street** and any lands located in the City of Geneva and occupied by license or easement during construction or improved by third parties for the benefit of the Project			
City Geneva	State NY	ZIP code 14556	Email address (optional) N/A
Purpose of project The Project consists of the renovation of an approximately 16,000 square foot building, together with the purchase of certain items of machinery, equipment and other tangible personal property.			

Description of goods and services intended to be exempted from New York State and local sales and use taxes

Goods and services, inclusive of fuel and utilities, whether the goods and services are purchased or rented, and notwithstanding that they continue to constitute personal property or the item is used after the completion of the Project, or the item is geographically located outside the legal boundaries of the Project Facility; provided there is a reasonable basis to acquire the item to benefit the Project.

Date project operator or agent appointed (mmddyy)	Date project operator or agent status ends (mmddyy) 08/31/21	Mark an <b>X</b> in the box if this is an extension to an original project: <input type="checkbox"/>
Estimated value of goods and services that will be exempt from New York State and local sales and use tax: \$210,000		Estimated value of New York State and local sales and use tax exemption provided: \$15,750

**Certification:** I certify that the above statements are true, complete, and correct, and that no material information has been omitted. I make these statements with the knowledge that willfully providing false or fraudulent information with this document may constitute a felony or other crime under New York State Law, punishable by a substantial fine and possible jail sentence. I also understand that the Tax Department is authorized to investigate the validity of any information entered on this document.

Print name of officer or employee signing on behalf of the IDA Sage Gerling		Print title Executive Director	
Signature		Date	Telephone number (315) 789-6104

## Instructions

### When to file

An IDA must file this form within 30 days of the date they appoint any project operator or other person as agent of the IDA, for purposes of extending any sales and use tax exemptions.

### Requirements to file

The IDA must file a separate form for each person it appoints as agent, whether directly or indirectly, and regardless of whether the person is the primary project operator or agent. If the IDA authorizes a project operator or agent to appoint other persons as agent of the IDA, the operator or agent making such an appointment must advise the IDA that it has done so, so that the IDA can file a form within 30 days of the date of the new agent's appointment. The IDA should not file this form for a person hired to work on an IDA project if that person is not appointed as agent of the IDA. The IDA should not file this form if they do not extend any sales or use tax exemption benefits for the project.

If an IDA modifies a project, such as by extending it beyond its original completion date, or by increasing or decreasing the amount of sales and use tax exemption benefits authorized for the project, they must, within 30 days of the change, file a new form with the new information.

### If the information on this form changes

If an IDA amends, revokes, or cancels the appointment of an agent, or if an agent's appointment becomes invalid for any reason, the IDA, within 30 days, must send a letter to the address below for filing this form, indicating that the appointment has been amended, revoked, or cancelled, or is no longer valid, and the effective date of the change. They must attach to the letter a copy of the form it originally filed. The IDA should not send a letter for a form that is not valid merely because the *Completion date of project* has passed.

### Mailing instructions

Mail completed form to:

NYS TAX DEPARTMENT  
IDA UNIT  
W A HARRIMAN CAMPUS  
ALBANY NY 12227-0866

**Private delivery services** – See Publication 55, *Designated Private Delivery Services*.

### Privacy notification

New York State Law requires all government agencies that maintain a system of records to provide notification of the legal authority for any request for personal information, the principal purpose(s) for which the information is to be collected, and where it will be maintained. To view this information, visit our website, or, if you do not have Internet access, call and request Publication 54, *Privacy Notification*. See *Need help?* for the Web address and telephone number.

### Need help?



Visit our website at **[www.tax.ny.gov](http://www.tax.ny.gov)**

- get information and manage your taxes online
- check for new online services and features

### Telephone assistance

Sales Tax Information Center:	518-485-2889
To order forms and publications:	518-457-5431
Text Telephone (TTY) or TDD equipment users	Dial 7-1-1 for the New York Relay Service

**EXHIBIT B**

**FORM OF NYS FORM ST-340 TO BE COMPLETED  
AND FILED ANNUALLY BY DCMB VENTURES, LLC**

**[Attached Next Page]**



Department of Taxation and Finance

# Annual Report of Sales and Use Tax Exemptions Claimed by Agent/Project Operator of Industrial Development Agency/Authority (IDA)

**ST-340**  
(1/18)

For period ending December 31, \_\_\_\_\_ (enter year)

**Project information**

Name of IDA agent/project operator		Employer identification number (EIN)	
Street address		Telephone number (      )	
City		State	ZIP code
Name of IDA City of Geneva Industrial Development Agency	Name of project DCMB Ventures, LLC Project	IDA project number 3201-21-01A	
Street address of project site 459-465 Exchange Street			
City Geneva		State NY	ZIP code 14556
Date project began		Completion date of project Actual <input type="checkbox"/> Expected <input type="checkbox"/>	
Total sales and use tax exemptions (actual tax savings; not total purchases) .....			\$

**Representative information (not required)**

Authorized representative, if any	Title
Street address	Telephone number (      )
City	State      ZIP code

**Certification**

I certify that the above statements are true, complete, and correct, and that no material information has been omitted. I make these statements with the knowledge that willfully providing false or fraudulent information with this document may constitute a felony or other crime under New York State Law, punishable by a substantial fine and possible jail sentence. I also understand that the Tax Department is authorized to investigate the validity of any information entered on this document.		
Print name of officer, employee, or authorized representative		Title of person signing
Signature		Date

If you do not annually file a complete report, we may remove your authority to act as an IDA agent/project operator.

Mail completed report to:

**NYS TAX DEPARTMENT  
IDA UNIT  
W A HARRIMAN CAMPUS  
ALBANY NY 12227-0866**If not using U.S. Mail, see Publication 55, *Designated Private Delivery Services*.

## Instructions

### General information

#### Who must file

The General Municipal Law (GML) and the Public Authorities Law require the agent/project operator (also known as the *project occupant*) of an Industrial Development Agency or Authority (IDA) to file an annual report with the Tax Department. The agent/project operator required to file this report is the person **directly** appointed by the IDA to act for and to represent the IDA for the project. The agent/project operator is ordinarily the one for whom the IDA project was created.

There is usually only one agent/project operator directly appointed by the IDA for an IDA project. However, if the IDA directly appoints multiple agents/project operators, each agent/project operator must file this form (unless they are related corporations).

Only the agent/project operators directly appointed by the IDA must file Form ST-340. Contractors, subcontractors, consultants, or agents appointed by the agent/project operators should **not** themselves file Form ST-340. However, the agent/project operators must include on Form ST-340 information obtained from such contractors, subcontractors, consultants, and agents, as described below.

#### What you must report

The report must show the **total value** of all state and local **sales and use taxes exempted** during the calendar year, as a result of the project's designation as an IDA project. This includes:

- the value of the exemptions the agent/project operator (you) obtained; and
- the value of the exemptions obtained by your contractors, subcontractors, consultants, and others, whether or not appointed as agents of the IDA.

Include only the **total combined** exemptions obtained by the above people. A breakdown of the total is not required. However, since the report must include the value of the exemptions they obtained, you must keep records of the amounts others report to you.

You must make it clear to the contractors, subcontractors, consultants, and others that they must keep accurate tax information and have it available, so that you can comply with the annual reporting requirements.

Do not include on this report the amount of any sales and use tax exemptions from other provisions of the Tax Law (for example, manufacturer's production equipment exemption, research and development exemption, or contractor's exemption for tangible personal property incorporated into a project of an exempt organization).

#### When the report is due

You must file Form ST-340 on a calendar-year basis. It is due by the last day of February of the following year. The reporting requirement applies to IDA projects started on or after July 21, 1993.

#### Project information

At the top of the form, identify the reporting period by entering the year in the space provided. If an address is required, always include the ZIP code.

**Name of IDA agent/project operator:** Enter your name, address, employer identification number (EIN), and telephone number.

**Name of IDA and IDA project number:** Enter the name and address of the IDA. If more than one IDA is involved in a particular project, you must file a separate report for the tax exemptions attributable to each IDA. Also enter the ID project number.

**Name of project:** Enter the name of the project and the address of the project site. If you are involved in more than one project, you

must file a separate report for each project, even if authorized by the same IDA.

**Date project began:** Enter the date the project started (this means the earliest of the date of any bond or inducement resolution, the execution of any lease, or any bond issuance). Include month, day, and year.

**Completion date of project:** Enter the date installation, lease, or rental of property (for example, machinery or computers) on the project ended, or the date the project is expected to be completed. Mark an **X** in the appropriate box to indicate if the date entered is actual or expected.

**Total sales and use tax exemptions:** Enter the total amount of New York State and local sales and use taxes exempted during the reporting period as a result of the project's receipt of IDA financial assistance (*if none, enter 0*). This includes exemptions obtained at the time of purchase, as well as through a refund or credit of tax paid. Include the sales and use taxes exempted on purchases of property or services incorporated into or used on the exempt project. This includes the taxes exempted on purchases made by or on behalf of the agent/project operator, the general contractor for the project, and any subcontractors, consultants, or others. Do **not** enter total purchases.

### Representative information

If applicable, enter the name, address, title (for example, attorney or accountant), and telephone number of the individual you authorize to submit this report. This section is not required.

### Certification

Enter the name and title of the person signing on your behalf (for example, the IDA agent/project operator's officer, employee, or other authorized representative). Your officer, employee, or authorized representative must sign and date the report.

Mail completed report to:

**NYS TAX DEPARTMENT  
IDA UNIT  
W A HARRIMAN CAMPUS  
ALBANY NY 12227-0866**

If not using U.S. Mail, see Publication 55, *Designated Private Delivery Services*.

### Need help?



Visit our website at **[www.tax.ny.gov](http://www.tax.ny.gov)**

- get information and manage your taxes online
- check for new online services and features

#### Telephone assistance

Sales Tax Information Center:	518-485-2889
To order forms and publications:	518-457-5431
Text Telephone (TTY) or TDD equipment users	Dial 7-1-1 for the New York Relay Service

### Privacy notification

New York State Law requires all government agencies that maintain a system of records to provide notification of the legal authority for any request for personal information, the principal purpose(s) for which the information is to be collected, and where it will be maintained. To view this information, visit our website, or, if you do not have Internet access, call and request Publication 54, *Privacy Notification*. See *Need help?* for the Web address and telephone number.

**EXHIBIT C-1**

**NYS FORM ST-123  
FOR  
DCMB VENTURES, LLC**

**[Attached Next Page]**





New York State Department of Taxation and Finance

New York State Sales and Use Tax

**IDA Agent or Project Operator****Exempt Purchase Certificate****Effective for projects beginning on or after June 1, 2014****ST-123**

(7/14)

This certificate is not valid unless all entries have been completed.

**Note:** To be completed by the purchaser and given to the seller. Do not use this form to purchase motor fuel or diesel motor fuel exempt from tax. See Form FT-123, *IDA Agent or Project Operator Exempt Purchase Certificate for Fuel*.

Name of seller	Name of agent or project operator		
	DCMB Ventures, LLC		
Street address	Street address		
	6315 Candlelight Run		
City, town, or village	State	ZIP code	
Victor	NY	14564	
Agent or project operator sales tax ID number (see instructions)			

Mark an **X** in one: ☐ Single-purchase certificate ☒ Blanket-purchase certificate (valid only for the project listed below)**To the seller:**

You must identify the project on each bill and invoice for such purchases and indicate on the bill or invoice that the IDA or agent or project operator of the IDA was the purchaser.

**Project information**

I certify that I am a duly appointed agent or project operator of the named IDA and that I am purchasing the tangible personal property or services for use in the following IDA project and that such purchases qualify as exempt from sales and use taxes under my agreement with the IDA.

Name of IDA		
City of Geneva Industrial Development Agency		
Name of project	IDA project number (use OSC number)	
DCMB Ventures, LLC Project	3201-21-01A	
Street address of project site		
459-465 Exchange Street		
City, town, or village	State	ZIP code
Geneva	NY	14556
Enter the date that you were appointed agent or project operator (mm/dd/yy) .....	Enter the date that agent or project operator status ends (mm/dd/yy) .....	
01 / 15 / 21	08 / 31 / 21	

**Exempt purchases**(Mark an **X** in boxes that apply)

- ☐ A. Tangible personal property or services (other than utility services and motor vehicles or tangible personal property installed in a qualifying motor vehicle) used to complete the project, but not to operate the completed project
- ☐ B. Certain utility services (gas, propane in containers of 100 pounds or more, electricity, refrigeration, or steam) used to complete the project, but not to operate the completed project
- ☐ C. Motor vehicle or tangible personal property installed in a qualifying motor vehicle

**Certification:** I certify that the above statements are true, complete, and correct, and that no material information has been omitted. I make these statements and issue this exemption certificate with the knowledge that this document provides evidence that state and local sales or use taxes do not apply to a transaction or transactions for which I tendered this document and that willfully issuing this document with the intent to evade any such tax may constitute a felony or other crime under New York State Law, punishable by a substantial fine and a possible jail sentence. I understand that this document is required to be filed with, and delivered to, the vendor as agent for the Tax Department for the purposes of Tax Law section 1838 and is deemed a document required to be filed with the Tax Department for the purpose of prosecution of offenses. I also understand that the Tax Department is authorized to investigate the validity of tax exclusions or exemptions claimed and the accuracy of any information entered on this document.

Signature of purchaser or purchaser's representative (include title and relationship)	Date
Type or print the name, title, and relationship that appear in the signature box	

## Instructions

### To the purchaser

You may use Form ST-123 if you:

- have been appointed as an agent or project operator by an industrial development agency (IDA) and
- the purchases qualify for exemption from sales and use tax as described in the IDA contract.

You may use Form ST-123 as a single-purchase certificate or as a blanket certificate covering the first and subsequent purchases qualifying for the project listed.

**Agent or project operator sales tax ID number** — If you are registered with the Tax Department for sales tax purposes, you must enter your sales tax identification number on this certificate. If you are not required to be registered, enter *N/A*.

*Industrial development agencies and authorities (IDAs)* are public benefit corporations under General Municipal Law Article 18-A and the Public Authorities Law, for the purpose of promoting, developing, encouraging, and assisting in the acquisition, construction, reconstruction, improvement, maintenance, equipping, and furnishing of industrial, manufacturing, warehousing, commercial, research, and recreational facilities in New York State.

IDAs are exempt from the payment of sales and use tax on their purchases, in accordance with Tax Law section 1116(a)(1). However, IDAs do not normally make direct purchases for projects. Commonly, IDAs instead appoint a business enterprise or developer, contractor, or subcontractor as its agent or project operator. Such purchases made by the agent or project operator, acting within the authority granted by the IDA, are deemed to be made by the IDA and therefore exempt from tax.

*Example 1: IDA agreement with its agent or project operator states that contractor X may make all purchases of materials and equipment necessary for completion of the project, as agent for the IDA. Contractor X rents a backhoe and a bulldozer for site preparation, purchases concrete and lumber to construct a building, and purchases machinery to be installed in the building. All these purchases by contractor X as agent of the IDA are exempt from tax.*

*Example 2: IDA agreement with its agent or project operator states that contractor X may make all purchases of materials and equipment to be incorporated into the project, as agent for the IDA. Contractor X makes the same purchases as in Example 1. Since the concrete, lumber, and machinery will actually be incorporated into the project, contractor X may purchase these items exempt from tax. However, rental of the backhoe and bulldozer is not exempt since these transactions are normally taxable and the IDA agreement does not authorize contractor X to make such rentals as agent of the IDA.*

A contractor or subcontractor not appointed as agent or project operator of an IDA must present suppliers with Form ST-120.1, *Contractor Exempt Purchase Certificate*, when making purchases that are ordinarily exempt from tax in accordance with Tax Law sections 1115(a)(15) and 1115(a)(16). For more information, see Form ST-120.1.

### Exempt purchases

To qualify, the purchases must be made within the authority granted by the IDA and used to complete the project (not to operate the completed project).

- Mark box A to indicate you are purchasing tangible personal property and services (other than utility services and motor vehicles or tangible personal property installed in a qualifying motor vehicle) exempt from tax.
- Mark box B to indicate you are purchasing certain consumer utility services used in completing the project exempt from tax. This includes gas, electricity, refrigeration, and steam; and gas, electric, refrigeration, and steam services.
- Mark box C to indicate you are purchasing a motor vehicle or tangible personal property related to a qualifying motor vehicle exempt from tax.

### Misuse of this certificate

Misuse of this exemption certificate may subject you to serious civil and criminal sanctions in addition to the payment of any tax and interest due. These include:

- A penalty equal to 100% of the tax due;
- A \$50 penalty for each fraudulent exemption certificate issued;
- Criminal felony prosecution, punishable by a substantial fine and a possible jail sentence; and
- Revocation of your *Certificate of Authority*, if you are required to be registered as a vendor. See TSB-M-09(17)S, *Amendments that Encourage Compliance with the Tax Law and Enhance the Tax Department's Enforcement Ability*, for more information.

### To the seller

When making purchases as agent or project operator of an IDA, the purchaser must provide you with this exemption certificate with all entries completed to establish the right to the exemption. You **must** identify the project on each bill and invoice for such purchases and indicate on the bill or invoice that the IDA or agent or project operator of the IDA was the purchaser.

As a New York State registered vendor, you may accept an exemption certificate in lieu of collecting tax and be protected from liability for the tax if the certificate is valid. The certificate will be considered valid if it is:

- accepted in good faith;
- in your possession within 90 days of the transaction; and
- properly completed (all required entries were made).

An exemption certificate is accepted in good faith when you have no knowledge that the exemption certificate is false or is fraudulently given, and you exercise reasonable ordinary due care. If you do not receive a properly completed certificate within 90 days after the delivery of the property or service, you will share with the purchaser the burden of proving the sale was exempt.

You must also maintain a method of associating an invoice (or other source document) for an exempt sale with the exemption certificate you have on file from the purchaser. You must keep this certificate at least three years after the due date of your sales tax return to which it relates, or the date the return was filed, if later.

### Privacy notification

New York State Law requires all government agencies that maintain a system of records to provide notification of the legal authority for any request, the principal purpose(s) for which the information is to be collected, and where it will be maintained. To view this information, visit our Web site, or, if you do not have Internet access, call and request Publication 54, *Privacy Notification*. See *Need help?* for the Web address and telephone number.

### Need help?



Visit our Web site at **[www.tax.ny.gov](http://www.tax.ny.gov)**

- get information and manage your taxes online
- check for new online services and features



**Sales Tax Information Center:** (518) 485-2889

To order forms and publications: (518) 457-5431



**Text Telephone (TTY) Hotline**

(for persons with hearing and speech disabilities using a TTY): (518) 485-5082

**EXHIBIT C-2**

**NYS FORM ST-123  
FOR  
SUBAGENTS OF DCMB VENTURES, LLC**

**[Attached Next Page]**

**IDA Agent or Project Operator  
Exempt Purchase Certificate****Effective for projects beginning on or after June 1, 2014**

This certificate is not valid unless all entries have been completed.

**Note:** To be completed by the purchaser and given to the seller. Do not use this form to purchase motor fuel or diesel motor fuel exempt from tax. See Form FT-123, *IDA Agent or Project Operator Exempt Purchase Certificate for Fuel*.

Name of seller	Name of agent or project operator
Street address	Street address
City, town, or village                      State              ZIP code	City, town, or village                      State              ZIP code
Agent or project operator sales tax ID number (see instructions)	

Mark an **X** in one:    ☐ Single-purchase certificate    ☒ Blanket-purchase certificate (valid only for the project listed below)**To the seller:**

You must identify the project on each bill and invoice for such purchases and indicate on the bill or invoice that the IDA or agent or project operator of the IDA was the purchaser.

**Project information**

I certify that I am a duly appointed agent or project operator of the named IDA and that I am purchasing the tangible personal property or services for use in the following IDA project and that such purchases qualify as exempt from sales and use taxes under my agreement with the IDA.

Name of IDA		
City of Geneva Industrial Development Agency		
Name of project	IDA project number (use OSC number)	
DCMB Ventures, LLC Project	3201-21-01A	
Street address of project site		
459-465 Exchange Street		
City, town, or village	State	ZIP code
Geneva	NY	14556
Enter the date that you were appointed agent or project operator (mm/dd/yy) .....	Enter the date that agent or project operator status ends (mm/dd/yy) ..... 08 / 31 / 21	

**Exempt purchases**(Mark an **X** in boxes that apply)

- ☐ A. Tangible personal property or services (other than utility services and motor vehicles or tangible personal property installed in a qualifying motor vehicle) used to complete the project, but not to operate the completed project
- ☐ B. Certain utility services (gas, propane in containers of 100 pounds or more, electricity, refrigeration, or steam) used to complete the project, but not to operate the completed project
- ☐ C. Motor vehicle or tangible personal property installed in a qualifying motor vehicle

**Certification:** I certify that the above statements are true, complete, and correct, and that no material information has been omitted. I make these statements and issue this exemption certificate with the knowledge that this document provides evidence that state and local sales or use taxes do not apply to a transaction or transactions for which I tendered this document and that willfully issuing this document with the intent to evade any such tax may constitute a felony or other crime under New York State Law, punishable by a substantial fine and a possible jail sentence. I understand that this document is required to be filed with, and delivered to, the vendor as agent for the Tax Department for the purposes of Tax Law section 1838 and is deemed a document required to be filed with the Tax Department for the purpose of prosecution of offenses. I also understand that the Tax Department is authorized to investigate the validity of tax exclusions or exemptions claimed and the accuracy of any information entered on this document.

Signature of purchaser or purchaser's representative (include title and relationship)	Date
Type or print the name, title, and relationship that appear in the signature box	

## Instructions

### To the purchaser

You may use Form ST-123 if you:

- have been appointed as an agent or project operator by an industrial development agency (IDA) and
- the purchases qualify for exemption from sales and use tax as described in the IDA contract.

You may use Form ST-123 as a single-purchase certificate or as a blanket certificate covering the first and subsequent purchases qualifying for the project listed.

**Agent or project operator sales tax ID number** — If you are registered with the Tax Department for sales tax purposes, you must enter your sales tax identification number on this certificate. If you are not required to be registered, enter *N/A*.

*Industrial development agencies and authorities (IDAs)* are public benefit corporations under General Municipal Law Article 18-A and the Public Authorities Law, for the purpose of promoting, developing, encouraging, and assisting in the acquisition, construction, reconstruction, improvement, maintenance, equipping, and furnishing of industrial, manufacturing, warehousing, commercial, research, and recreational facilities in New York State.

IDAs are exempt from the payment of sales and use tax on their purchases, in accordance with Tax Law section 1116(a)(1). However, IDAs do not normally make direct purchases for projects. Commonly, IDAs instead appoint a business enterprise or developer, contractor, or subcontractor as its agent or project operator. Such purchases made by the agent or project operator, acting within the authority granted by the IDA, are deemed to be made by the IDA and therefore exempt from tax.

*Example 1: IDA agreement with its agent or project operator states that contractor X may make all purchases of materials and equipment necessary for completion of the project, as agent for the IDA. Contractor X rents a backhoe and a bulldozer for site preparation, purchases concrete and lumber to construct a building, and purchases machinery to be installed in the building. All these purchases by contractor X as agent of the IDA are exempt from tax.*

*Example 2: IDA agreement with its agent or project operator states that contractor X may make all purchases of materials and equipment to be incorporated into the project, as agent for the IDA. Contractor X makes the same purchases as in Example 1. Since the concrete, lumber, and machinery will actually be incorporated into the project, contractor X may purchase these items exempt from tax. However, rental of the backhoe and bulldozer is not exempt since these transactions are normally taxable and the IDA agreement does not authorize contractor X to make such rentals as agent of the IDA.*

A contractor or subcontractor not appointed as agent or project operator of an IDA must present suppliers with Form ST-120.1, *Contractor Exempt Purchase Certificate*, when making purchases that are ordinarily exempt from tax in accordance with Tax Law sections 1115(a)(15) and 1115(a)(16). For more information, see Form ST-120.1.

### Exempt purchases

To qualify, the purchases must be made within the authority granted by the IDA and used to complete the project (not to operate the completed project).

- Mark box A to indicate you are purchasing tangible personal property and services (other than utility services and motor vehicles or tangible personal property installed in a qualifying motor vehicle) exempt from tax.
- Mark box B to indicate you are purchasing certain consumer utility services used in completing the project exempt from tax. This includes gas, electricity, refrigeration, and steam; and gas, electric, refrigeration, and steam services.
- Mark box C to indicate you are purchasing a motor vehicle or tangible personal property related to a qualifying motor vehicle exempt from tax.

### Misuse of this certificate

Misuse of this exemption certificate may subject you to serious civil and criminal sanctions in addition to the payment of any tax and interest due. These include:

- A penalty equal to 100% of the tax due;
- A \$50 penalty for each fraudulent exemption certificate issued;
- Criminal felony prosecution, punishable by a substantial fine and a possible jail sentence; and
- Revocation of your *Certificate of Authority*, if you are required to be registered as a vendor. See TSB-M-09(17)S, *Amendments that Encourage Compliance with the Tax Law and Enhance the Tax Department's Enforcement Ability*, for more information.

### To the seller

When making purchases as agent or project operator of an IDA, the purchaser must provide you with this exemption certificate with all entries completed to establish the right to the exemption. You **must** identify the project on each bill and invoice for such purchases and indicate on the bill or invoice that the IDA or agent or project operator of the IDA was the purchaser.

As a New York State registered vendor, you may accept an exemption certificate in lieu of collecting tax and be protected from liability for the tax if the certificate is valid. The certificate will be considered valid if it is:

- accepted in good faith;
- in your possession within 90 days of the transaction; and
- properly completed (all required entries were made).

An exemption certificate is accepted in good faith when you have no knowledge that the exemption certificate is false or is fraudulently given, and you exercise reasonable ordinary due care. If you do not receive a properly completed certificate within 90 days after the delivery of the property or service, you will share with the purchaser the burden of proving the sale was exempt.

You must also maintain a method of associating an invoice (or other source document) for an exempt sale with the exemption certificate you have on file from the purchaser. You must keep this certificate at least three years after the due date of your sales tax return to which it relates, or the date the return was filed, if later.

### Privacy notification

New York State Law requires all government agencies that maintain a system of records to provide notification of the legal authority for any request, the principal purpose(s) for which the information is to be collected, and where it will be maintained. To view this information, visit our Web site, or, if you do not have Internet access, call and request Publication 54, *Privacy Notification*. See *Need help?* for the Web address and telephone number.

### Need help?



Visit our Web site at **[www.tax.ny.gov](http://www.tax.ny.gov)**

- get information and manage your taxes online
- check for new online services and features



**Sales Tax Information Center:** (518) 485-2889

To order forms and publications: (518) 457-5431



**Text Telephone (TTY) Hotline**

(for persons with hearing and speech disabilities using a TTY): (518) 485-5082

**CITY OF GENEVA INDUSTRIAL DEVELOPMENT AGENCY**

**AND**

**DCMB VENTURES, LLC**

---

**TAX AGREEMENT**

---

**Dated as of January 1, 2021**

Street Address:

459-465 Exchange Street, City of Geneva, New York

Tax Map Number:

104.12-2-7

Affected Tax Jurisdictions:

Ontario County

City of Geneva

Geneva City School District



## TAX AGREEMENT

THIS TAX AGREEMENT (the "Agreement"), dated as of January 1, 2021, is by and between the **CITY OF GENEVA INDUSTRIAL DEVELOPMENT AGENCY**, a public benefit corporation duly existing under the laws of the State of New York with offices at 47 Castle Street, Geneva, New York 14456 (the "Agency") and **DCMB VENTURES, LLC**, a limited liability company duly organized and validly existing under the laws of the State of New York with offices at 6315 Candlelight Run, Victor, New York 14564 (the "Company").

### WITNESSETH:

WHEREAS, the Agency was created by Chapter 552 of the Laws of 1981 of the State of New York pursuant to Title I of Article 18-A of the General Municipal Law of the State of New York (collectively, the "Act") as a body corporate and politic and as a public benefit corporation of the State of New York; and

WHEREAS, the Company has requested the Agency's assistance with a certain project (the "Project") consisting of: (i) the acquisition by the Agency of a leasehold or other interest in certain property located at 459-465 Exchange Street in the City of Geneva, New York, Ontario County, New York (the "Land") and the existing improvements located thereon, consisting principally of an approximately three-story, 16,000 square foot building a/k/a The Dove Block building (the "Existing Improvements"), (ii) the renovation of the Existing Improvements, including, but not limited to, the fit-out of The Dove Block building, together with new HVAC, plumbing, and electric, all for the purpose of accommodating an art gallery, furniture gallery and office and mixed-use space (collectively, the "Improvements"), and (iii) the acquisition by the Company in and around the Improvements of certain items of machinery, equipment and other tangible personal property (the "Equipment"; and, together with the Land, the Existing Improvements and the Improvements, the "Facility"); and

WHEREAS, in order to induce the Company to undertake the Project, the Agency is willing to take a leasehold interest in the Land, the Existing Improvements, the Improvements, and the Equipment constituting the Facility and lease said Land, Existing Improvements, the Improvements, and the Equipment constituting the Facility back to the Company pursuant to the terms and conditions of a certain Leaseback Agreement to be dated on or about the date hereof (the "Leaseback Agreement"); and

WHEREAS, pursuant to Section 874(1) of the Act, the Agency is exempt from the payment of taxes imposed upon real property and improvements owned by it or under its jurisdiction, control or supervision, other than special ad valorem levies, special assessments and service charges against real property which are or may be imposed for special improvements or special district improvements; and

WHEREAS, the Agency and the Company deem it necessary and proper to enter into an agreement making provisions for payments in lieu of taxes by the Company to the Agency for the benefit of Ontario County (the "County"), the City of Geneva (the "City") and the Geneva City School District (the "School District" and, collectively with the County and the City, the "Affected Tax Jurisdictions").

NOW, THEREFORE, in consideration of the covenants herein contained, and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, it is mutually agreed as follows:

Section 1 - Payment in Lieu of Ad Valorem Taxes:

Section 1.1 A. Subject to the completion and filing by the taxable status date **May 1, 2021** (the "Taxable Status Date") of New York State Form RP-412-a "Application For Real Property Tax Exemption" (the "Exemption Application") under Section 412-a of the New York State Real Property Tax Law and Section 874 of the Act and the approval of the Exemption Application by the appropriate assessors or Board of Assessment Review, the Facility shall be exempt from Real Estate Taxes commencing with the **2022** City and County tax year and the **2021 – 2022** School District tax year. For purposes of the foregoing "Real Estate Taxes" means all general levy real estate taxes levied against the Facility by the City, County and School District. The Company shall provide to the Agency with the information necessary for the completion and filing of the Exemption Application and shall provide such additional information and take such actions as are required by the appropriate assessors or Board of Assessment Review to process and approve the Exemption Application. Notwithstanding anything contained herein or in the Leaseback Agreement to the contrary, in the event the exemption from Real Estate Taxes is denied for any reason, the Company shall pay (and hereby agrees to pay) all Real Estate Taxes levied upon the Facility as they become due. After giving written notice to the Agency, the Company may in good faith contest the denial of the Exemption Application, provided that (i) the overall operating efficiency of the Facility is not impaired and the Facility continues to qualify as a "project" under the Act; (ii) neither the Facility nor any part of or interest in it would be in any danger of being sold, forfeited or lost; or (iii) neither the Company nor the Agency, as a result of such contest, shall be in any danger of any civil or criminal liability. The Company hereby waives any claim or cause of action against the Agency, and releases the Agency from any liability to the Company, arising from the denial of an exemption from Real Estate Taxes except to the extent that such denial results solely from the failure of the Agency to file the Exemption Application with the appropriate assessors or Board of Assessment Review by the Taxable Status Date.

B. Payee. As long as the Facility is owned by or leased by the Company to the Agency or under the Agency's jurisdiction, control or supervision, the Company agrees to pay annually to the Affected Tax Jurisdictions as a payment in lieu of taxes, on or before **February 1** of each calendar year commencing on **February 1, 2022** (for County and City taxes), and on or before October 1 of each calendar year beginning October 1, 2021 (for School taxes) (collectively, the "Payment Date") for County, City and School taxes, respectively, an amount equal to the "Total Tax Payment", as defined and described on Schedule A attached hereto. Such payments to be made by the Company without invoicing by or notice from the Agency or any other party.

The parties agree and acknowledge that payments made hereunder are to obtain revenues for public purposes, and to provide a revenue source that the Affected Tax Jurisdictions would otherwise lose because the subject parcels are not on the tax rolls.

1.2 Allocation. The Agency shall remit to the Affected Tax Jurisdictions amounts received hereunder (if any) within thirty (30) days of receipt of said payment and shall allocate said payments among the Affected Tax Jurisdictions in the same proportion as ad valorem taxes would have been allocated but for the Agency's involvement, unless the Affected Tax Jurisdictions have consented in writing to a specific allocation.

1.3 Tax Rates. For purposes of determining the allocation of the Total Tax Payment among the Affected Tax Jurisdictions, the Agency shall use the last tax rate utilized for levy of taxes by each such jurisdiction. For County, City and special district purposes, the tax rates used to determine the allocation of the Total Tax Payment shall be the tax rates relating to the calendar year which includes the Tax Payment due date. For School District purposes, the tax rates used to determine the Tax Payment shall be the rate relating to the school year which includes the Tax Payment due date.

1.4 Valuation of Future Additions to the Facility: If there shall be a future addition to the Facility constructed or added in any manner after the date of this Agreement, the Company shall notify the Agency of such future addition ("Future Addition"). The notice to the Agency shall contain a copy of the application for a building permit, plans and specifications, and any other relevant information that the Agency may thereafter request. Upon the earlier of substantial completion, or the issuance of a certificate of occupancy for any such Future Addition to the Facility, the Company shall become liable for payment of an increase in the Total Tax Payment. The Agency shall notify the Company of any proposed increase in the Total Tax Payment related to such Future Addition. If the Company shall disagree with the determination of assessed value for any Future Additions made by the Agency, then and in that event that valuation shall be fixed by a court of competent jurisdiction. Notwithstanding any disagreement between the Company and the Agency, the Company shall pay the increased Tax Payment until a different Total Tax Payment shall be established. If a lesser Total Annual Payment is determined in any proceeding or by subsequent agreement of the parties, the Total Tax Payment shall be re-computed and any excess payment shall be refunded to the Company or, in the Agency's sole discretion, such excess payment shall be applied as a credit against the next succeeding Tax Payment(s).

1.5 Period of Benefits. The tax benefits provided for herein should be deemed to include (i) the **2021 – 2022** School District tax year through the **2035 – 2036** School District tax year, and (ii) the **2022** County and City tax year through the **2036** County and City tax year. This Tax Agreement shall expire on **December 31, 2036**; *provided, however*, the Company shall pay the **2036 – 2037** School District tax bill and the **2037** County and City tax bills on the dates and in the amounts as if the Agency were not in title on the tax status date with respect to said tax years. In no event shall the Company be entitled to receive tax benefits relative to the Facility for more than the periods provided for herein, unless the period is extended by amendment to this Agreement executed by both parties after any applicable public hearings. The Company agrees that it will not seek any tax exemption for the Facility which could provide benefits for more than the periods provided for herein and specifically agrees that the exemptions provided for herein, to the extent actually received (based on the number of lease years elapsed), supersede and are in substitution of the exemptions provided by Section 485-b and 485-e of the New York Real Property Tax Law ("RPTL"). It is hereby agreed and understood that the

Affected Tax Jurisdictions can rely upon and enforce the above waiver to the same extent as if they were signatories hereto.

Section 2 - Special District Charges, Special Assessments and other Charges. Special district charges, special assessments, and special ad valorem levies (specifically including but not limited to fire district charges), and pure water charges and sewer charges are to be paid in full in accordance with normal billing practices.

Section 3 - Transfer of Facility. In the event that the Facility is transferred from the Agency to the Company (the lease/leaseback agreements are terminated), and the Company is ineligible for a continued tax exemption under some other tax incentive program, or the exemption results in a payment to the Affected Tax Jurisdictions in excess of the payment described in Section 1 herein, or this Agreement terminates and the property is not timely transferred back to the Company, the Company agrees to pay no later than the next tax lien date (plus any applicable grace period), to each of the Affected Tax Jurisdictions, an amount equal to the taxes and assessments which would have been levied on the Facility if the Facility had been classified as fully taxable as of the date of transfer or loss of eligibility of all or a portion of the exemption described herein or date of termination.

Section 4 - Assessment Challenges.

4.1 The Company shall have all of the rights and remedies of a taxpayer as if and to the same extent as if the Company were the owner of the Facility, with respect to any proposed assessment or change in assessment with respect to the Facility by any of the Affected Tax Jurisdictions and likewise shall be entitled to protest before and be heard by the appropriate assessors or Board of Assessment Review, and shall be entitled to take any and all appropriate appeals or initiate any proceedings to review the validity or amount of any assessment or the validity or amount of any tax equivalent provided for herein.

4.2 The Company shall have all of the rights and remedies of a taxpayer with respect to any tax, service charge, special benefit, ad valorem levy, assessment, or special assessment or service charge in lieu of which the Company is obligated to make a payment pursuant to this Agreement, as if and to the same extent as if the Company were the owner of the Facility.

4.3 The Company shall (i) cause the appropriate real estate tax assessment office and tax levy officers to assess the Facility and apply tax rates to the respective assessments as if the Facility were owned by the Company, (ii) file any accounts or tax returns required by the appropriate real estate tax assessment office and tax levy officers.

Section 5 - Changes in Law. To the extent the Facility is declared to be subject to taxation or assessment by an amendment to the Act, other legislative change, or by final judgment of a Court of competent jurisdiction, the obligations of the Company hereunder shall, to such extent, be null and void.

## Section 6 - Events of Default.

6.1 The following shall constitute "Events of Default" hereunder. The failure by the Company to: (i) make the payments described in Section 1 within thirty (30) days of the Payment Date (the "Delinquency Date"); (ii) make any other payments described herein on or before the last day of any applicable cure period within which said payment can be made without penalty; or (iii) the occurrence and continuance of any events of default under the Leaseback Agreement after any applicable cure periods. Upon the occurrence of any Event of Default hereunder, in addition to any other right or remedy the Agency and/or the Affected Tax Jurisdictions may have at law or in equity, the Agency and/or Affected Tax Jurisdictions may, immediately and without further notice to the Company (but with notice to the Agency with respect to actions maintained by the Affected Tax Jurisdictions) pursue any action in the courts to enforce payment or to otherwise recover directly from the Company any amounts so in default. The Agency and the Company hereby acknowledge the right of the Affected Tax Jurisdictions to recover directly from the Company any amounts so in default pursuant to Section 874(6) of the General Municipal Law and the Company shall immediately notify the Agency of any action brought, or other measure taken, by any Affected Tax Jurisdiction to recover any such amount.

6.2 If payments pursuant to Section 1 herein are not made by the Delinquency Dates, or if any other payment required to be made hereunder is not made by the last day of any applicable cure period within which said payment can be made without penalty, the Company shall pay penalties and interest as follows. With respect to payments to be made pursuant to Section 1 herein, if said payment is not received by the Delinquency Date defined in Section 6.1 herein, Company shall pay, in addition to said payment, (i) a late payment penalty equal to five percent (5%) of the amount due and (ii) for each month, or any part thereof, that any such payment is delinquent beyond the first month, interest on the total amount due plus the late payment penalty, in an amount equal to one percent (1%) per month. With respect to all other payments due hereunder, if said payment is not paid within any applicable cure period, Company shall pay, in addition to said payment, the greater of the applicable penalties and interest or penalties and interest which would have been incurred had payments made hereunder been tax payments to the Affected Tax Jurisdictions.

Section 7 - Assignment. No portion of any interest in this Agreement may be assigned by the Company, nor shall any person other than the Company be entitled to succeed to or otherwise obtain any benefits of the Company hereunder without the prior written consent of the Agency, which shall not be unreasonably withheld or delayed.

## Section 8 - Miscellaneous.

8.1 This Agreement may be executed in any number of counterparts each of which shall be deemed an original but which together shall constitute a single instrument.

8.2 All notices, claims and other communications hereunder shall be in writing and shall be deemed to be duly given if personally delivered or mailed first class, postage prepaid, as follows:

To the Agency: City of Geneva Industrial Development Agency  
47 Castle Street  
Geneva, New York 14456  
Attn: Chairperson

With a Copy to: Harris Beach PLLC  
99 Garnsey Road  
Pittsford, New York 14534  
Attn: Russell E. Gaenzle, Esq.

To the Company: DCMB Ventures, LLC  
6315 Candlelight Run  
Victor, New York 14564  
Attn: William Corbett

With a Copy to: Underberg & Kessler LLP  
300 Bausch & Lomb Place  
Rochester, New York 14604  
Attn: Sarah Bothma, Esq.

or at such other address as any party may from time to time furnish to the other party by notice given in accordance with the provisions of this Section. All notices shall be deemed given when mailed or personally delivered in the manner provided in this Section.

8.3 This Agreement shall be governed by, and all matters in connection herewith shall be construed and enforced in accordance with, the laws of the State of New York applicable to agreements executed and to be wholly performed therein and the parties hereto hereby agree to submit to the personal jurisdiction of the federal or state courts located in Ontario County, New York.


8.4 Notwithstanding any other term or condition contained herein, all obligations of the Agency hereunder shall constitute a special obligation payable solely from the revenues and other monies, if any, derived from the Facility and paid to the Agency by the Company. Neither member of the Agency nor any person executing this Agreement on its behalf shall be liable personally under this Agreement. No recourse shall be had for the payment of the principal or interest on amounts due hereunder or for any claim based upon or in respect of any modification of or supplement hereto against any past, present or future member, officer, agent, servant, or employee, as such, of the Agency, or of any successor or political subdivision, either directly or through the Agency or any such successor, all such liability of such members, officer, agents, servants and employees being, to the extent permitted by law, expressly waived and released by the acceptance hereof and as part of the consideration for the execution of this Agreement.

[THE BALANCE OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

**[Signature Page to Tax Agreement]**

IN WITNESS WHEREOF, the parties hereto have executed this Tax Agreement as of the day and year first above written.

DCMB VENTURES, LLC

By:   
Name: William Corbett  
Title: Managing Member

CITY OF GENEVA INDUSTRIAL  
DEVELOPMENT AGENCY

By: \_\_\_\_\_  
Name: Sage Gerling  
Title: Executive Director

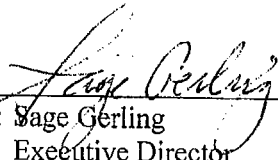
**[Signature Page to Tax Agreement]**

IN WITNESS WHEREOF, the parties hereto have executed this Tax Agreement as of the day and year first above written.

DCMB VENTURES, LLC

By: \_\_\_\_\_  
Name: William Corbett  
Title: Managing Member

CITY OF GENEVA INDUSTRIAL  
DEVELOPMENT AGENCY

By:  \_\_\_\_\_  
Name: Sage Gerling  
Title: Executive Director



## **SCHEDULE A**

**TO TAX AGREEMENT DATED AS OF JANUARY 1, 2021, BY AND BETWEEN  
CITY OF GENEVA INDUSTRIAL DEVELOPMENT AGENCY  
AND  
DCMB VENTURES, LLC**

"Total Tax Payment" shall be calculated as follows:

<b><u>Tax Year</u></b>	<b><u>County and Town Tax Year</u></b>	<b><u>School Tax Year</u></b>	<b><u>Total Tax Payment</u></b>
Interim	2021	2020-21	Full Taxes
Year 1	2022	2021-22	\$11,000
Year 2	2023	2022-23	\$11,500
Year 3	2024	2023-24	\$12,000
Year 4	2025	2024-25	\$12,500
Year 5	2026	2025-26	\$13,000
Year 6	2027	2026-27	\$13,500
Year 7	2028	2027-28	\$14,000
Year 8	2029	2028-29	\$14,500
Year 9	2030	2029-30	\$15,000
Year 10	2031	2030-31	\$15,500
Year 11	2032	2031-32	\$16,000
Year 12	2033	2032-33	\$16,500
Year 13	2034	2033-34	\$17,000
Year 14	2035	2034-35	\$17,500
Year 15	2036	2035-36	\$18,000



NYS BOARD OF REAL PROPERTY SERVICES

RP-412-a (1/95)

**INDUSTRIAL DEVELOPMENT AGENCIES**  
**APPLICATION FOR REAL PROPERTY TAX EXEMPTION**  
(Real Property Tax Law, Section 412-a and General Municipal Law, Section 874)

**1. INDUSTRIAL DEVELOPMENT AGENCY (IDA)**

Name City of Geneva Industrial Development Agency  
Street 47 Castle Street  
City Geneva, New York 14456  
Telephone no. Day (315) 789-4393  
Evening ( )  
Contact Sage Gerling  
Title Executive Director

**2. OCCUPANT (IF OTHER THAN IDA)**

(If more than one occupant attach separate listing)

Name DCMB Ventures, LLC  
Street 6315 Candlelight Run  
City Victor, New York 14564  
Telephone no. Day ( )  
Evening ( )  
Contact William Corbett  
Title Managing Member

**3. DESCRIPTION OF PARCEL**

- a. Assessment roll description (tax map no./roll year) 104.12-2-7  
b. Street address 459-465 Exchange Street  
c. City, Town or Village City of Geneva  
d. School District Geneva CSD  
e. County Ontario  
f. Current assessment   
g. Deed to IDA (date recorded; liber and page) Lease to IDA

**4. GENERAL DESCRIPTION OF PROPERTY** (if necessary, attach plans or specifications)

- a. Brief description (include property use) Property will be the site of an approximately 16,000 square-foot building to accommodate an art gallery, furniture gallery and office and mixed-used space  
b. Type of construction   
c. Square footage appx. 16,000  
d. Total cost   
e. Date construction commenced Immediately  
f. Projected expiration of exemption (i.e. date when property is no longer possessed, controlled, supervised or under the jurisdiction of IDA) December 31, 2036

**5. SUMMARIZE AGREEMENT (IF ANY) AND METHOD TO BE USED FOR PAYMENTS TO BE MADE TO MUNICIPALITY REGARDLESS OF STATUTORY EXEMPTION**

(Attach copy of the agreement or extract of the terms relating to the project).

- a. Formula for payment Please see attached Tax Agreement  
  
  
  
b. Projected expiration date of agreement December 31, 2036

c. Municipal corporations to which payments will be made

	Yes	No
County <u>Ontario</u>	<u>X</u>	
Town/City <u>Geneva</u>	<u>X</u>	
Village <u>N/A</u>		<u>X</u>
School District <u>Geneva</u>	<u>X</u>	

d. Person or entity responsible for payment

Name DCMB Ventures, LLC  
 Title William Corbett, Managing Member  
 Address 6315 Candlelight Run  
Victor, New York 14564

e. Is the IDA the owner of the property? Yes No (circle one)

If "No" identify owner and explain IDA rights or interest

Telephone \_\_\_\_\_

No: Occupant owns the Property and leases it to the IDA. IDA leases it back to Occupant.

6. Is the property receiving or has the property ever received any other exemption from real property taxation? (check one) Yes No

If yes, list the statutory exemption reference and assessment roll year on which granted:  
 exemption \_\_\_\_\_ assessment roll year \_\_\_\_\_

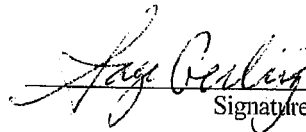
7. A copy of this application, including all attachments, has been mailed or delivered on \_\_\_\_\_ (date) to the chief executive official of each municipality within which the project is located as indicated in Item 3.

### CERTIFICATION

I, Sage Gerling, Executive Director \_\_\_\_\_ of  
 Name Title  
City of Geneva Industrial Development Agency hereby certify that the information  
 Organization: Genesee County Economic Development Center  
 on this application and accompanying papers constitutes a true statement of facts.

January 15, 2021

Date

  
 Signature

### FOR USE BY ASSESSOR

1. Date application filed \_\_\_\_\_
2. Applicable taxable status date \_\_\_\_\_
- 3a. Agreement (or extract) date \_\_\_\_\_
- 3b. Projected exemption expiration (year) \_\_\_\_\_
4. Assessed valuation of parcel in first year of exemption \$ \_\_\_\_\_
5. Special assessments and special as valorem levies for which the parcel is liable:  
 \_\_\_\_\_  
 \_\_\_\_\_

Date

Assessor's signature