

**ESSEX COUNTY INDUSTRIAL DEVELOPMENT  
AGENCY & ESSEX COUNTY CAPITAL RESOURCE CORPORATION**

**Joint Application for Financial Assistance**

The County of Essex Industrial Development Agency (the “Agency”) is a body corporate and politic of the State of New York (the “State”), established in 1974 under section 914-a of the State General Municipal Law, and operating pursuant to the provisions of Article 18-A of the State General Municipal Law. The Essex County Capital Resource Corporation (“ECCRC”) is a not for profit corporation, established in 2010 under section 1411 of the State Not-for-Profit Corporation Law. The Agency provides several forms of financial assistance under State law and pursuant to the Agency’s “uniform tax exemption policy”, including tax-exempt revenue bond financing, PILOT agreements, and “straight lease” agreements. ECCRC provides tax-exempt financing for economic development projects which fulfill public purpose and reduce the burden of government.

In order to be considered for the financial assistance the Agency may provide, the applicant should complete the Application in duplicate, sign and date the Application, and return the completed Application to the Agency together with a processing fee of \$1,000, or \$1,500, as appropriate.

Please answer all the questions in Parts A through D either by filling in the blanks, completing the answer in the space provided in the Application, or by attachment. Please refer to section IV of Part D of the Application for a statement of costs and fees applicable to providing financial assistance. All information submitted in the Application will be kept confidential. No Application will be considered until a fully completed and executed Application, in duplicate, is received by the Agency, together with applicable processing fees.

**PART A**  
**Applicant and Project Information**

Applicant Name	Anthony F. Audino
Address	5410 State Route N
Telephone	518-582-3556
Fax	
Email	kstamas7@gmail.com
Contact Name	Anthony and Kelly Audino

<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Corporation
<input type="checkbox"/> Partnership	<input type="checkbox"/> Not-For-Profit Corporation (see Part C)
<input checked="" type="checkbox"/> Limited Partnership	<input type="checkbox"/> Other

Federal ID # 35-2607576	
If corporation, what is State of incorporation?	
Is the corporation authorized to do business in New York state? <input type="checkbox"/> YES <input type="checkbox"/> NO	

If a not-for-profit corporation, is the corporation qualified under IRS code section 501(c) 3?  YES  NO

List names and addresses of principal shareholders or board members in case of not-for-profit:

List at least 3 financial references including address and telephone # and contact:

Development Authority of the North Country 317 Washington Street Watertown, NY 1360 Phone: (315) 661-3200  
 CARRIE YAKUSH Lake Champlain - Lake George Regional Planning Board Lake George, NY 12845 18 668-5773  
 3. Phil Parisi 13 Marocco Lane Schenectaday NY 12304 518-573-2702

Attorney Firm	Heslin Rothenberg Farley & Mesiti P.C.
Address	5 Columbia Circle Albany, NY 12203
Telephone	Phone: 518-452-5600
Fax	Fax: 518-452-5579
Email	E-Mail: Annette.Kahler@hrfmlaw.com
Contact Name	Annette Kahler, Esq.

Accounting Firm	Demonte Enterprises Ltd.
Address	70 Queen Mary Queensbury NY
Telephone	518-5380055
Fax	518-796-8648
Email	deceesharp1@gmail.com
Contact Name	Denise Cavoli

Type of Assistance Requested:

Tax-Exempt Revenue Bond Financing*	<input checked="" type="checkbox"/>
Taxable Bond Financing	<input type="checkbox"/>
Not-For-Profit Financing (see Part C)	<input type="checkbox"/>
Pollution Control Bond Financing	<input type="checkbox"/>
Straight Lease Back Transaction	<input checked="" type="checkbox"/> PILOT Agreement <input type="checkbox"/> Sales Tax Exemption <input type="checkbox"/> Mortgage Recording Tax Exemption

\*Please note that for any proposed project for which tax-exempt financing is requested, the applicant will be required to complete a detailed "tax questionnaire" to determine eligibility under the Internal Revenue Code for tax-exempt financing.

If applicant is seeking PILOT Agreement, please indicate PILOT schedule:

<input checked="" type="checkbox"/> Schedule A Year 1 = 100% exemption Year 2 = 100% exemption Year 3 = 50% exemption Year 4 = 45% exemption Year 5 = 40% exemption Year 6 = 35% exemption Year 7 = 30% exemption Year 8 = 20% exemption Year 9 = 10% exemption Year 10 = 5% exemption	<input type="checkbox"/> Schedule B Year 1 = 50% exemption Year 2 = 45% exemption Year 3 = 40% exemption Year 4 = 35% exemption Year 5 = 30% exemption Year 6 = 25% exemption Year 7 = 20% exemption Year 8 = 15% exemption Year 9 = 10% exemption Year 10 = 5% exemption
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Please note:

- Projects with a lesser economic impact based on an economic assessment will be eligible for Schedule B, (i.e. If project does not include a high level of commitment for: permanent payroll level in terms of number of jobs created, and/or number of potential spin off jobs, and/or high investment in total project, or a local business impact, and/or community investment).
- Agency staff will calculate the amount of savings from the proposed PILOT Agreement based on the anticipated tax rates and assessed value of property at time of application and based on proposed expansion (if applicable) for each year of PILOT and for the term of the PILOT. Copy will be attached.

Identify and describe any other real property tax exemption other than that requested from the Agency the project will utilize:

N/A

Agency staff will calculate the amount of savings from the proposed PILOT Agreement based on the anticipated tax rates and assessed value of property at time of application and based on proposed expansion (if applicable) for each year of PILOT and for the term of the PILOT.

Tax Map #: 109.16-2-32.000

Assessment of property (now): 135,800.

Assessment of property (at completion): 850,000.

If applicant is seeking usage of the Essex County IDA sales tax exemption as part of the assistance for this project, please provide an estimate of the total sales tax to be saved (i.e. equipment purchase, construction, etc.)	\$ ,
Items to be purchased using IDA sales tax exemption:	

If applicant is seeking usage of the Essex County IDA mortgage recording tax exemption as part of the assistance for this project, please provide an estimate of the total to be saved	\$
Amount of mortgage to be filed at Essex County Clerk's Office	\$

Provide a general description of the proposed project, indicating (1) location, (2) dimensions of the building or facility, (3) type of construction of the building or facility, (4) intended use of the building or facility and (5) describe any and all tenants and any/all end users:

The building is location is: 5410 State Route 28N Newcomb NY 12852  
The type of construction is stick built with full walk-out basement  
The building and property will be used as a restaurant and 4 glamping sites

Attach photograph of site or existing facility

Attach copy of preliminary plans for proposed project

If the proposed project is a manufacturing facility, briefly describe the proposed manufacturing process:

Will the completion of the project result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state OR in the abandonment of one or more plants or facilities of the project applicant located within the state?  YES  NO

If the proposed project is a commercial facility, briefly describe the proposed retail sales operation contemplated:

Contemplated 1 st year of sales: \$548,579.00

If proposed project has economic activities that would be deemed retail, please indicate if customers personally visit the project site for either of the following:

Retail Sale  YES  NO

Services  YES  NO

If the proposed project is a dormitory, healthcare, senior housing or education which a non-for-profit corporation must engage in, briefly describe the proposed project:

n/a

If the proposed project is a pollution control facility, briefly describe the type of pollution to be abated, and existing orders of environmental agencies to abate pollution:

n/a

On-Site Utilities:

Water	Municipal: <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	Municipal: <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
Sewer      no	Other:    septic	Other:
Electric	Supplier: NYSEG	
Natural Gas	Supplier N/A	

Indicate the current legal owner of the building or site or the proposed project:  
The Trailhead Resort LLC

Indicate any existing or proposed leases for the proposed project and provide a copy of such lease:  
N/A

Indicate any purchase option agreement relating to the proposed project and provide a copy of the purchase option agreement:

n/a

Indicate any litigation or controversy regarding (1) title to the site or building to be acquired, constructed or improved, (2) conditions on or under the site including environmental or hazardous waste conditions, (3) the financial condition of the Applicant or any entity controlling the Applicant or any entity which the Applicant control, and (4) the general operations of the Applicant.

n/a

If the applicant is or is controlled by a corporation or by a person or entity which is a majority shareholder in a corporation listed on a national stock exchange, please provide a copy of the annual report (including certified financial statements) of such corporation for its two (2) most recent fiscal years.

Annual Report (including financials) attached

Please see attachment

Employment:

<b>CURRENT</b>	<b>YEAR 1</b>	<b>YEAR 2</b>
full-time employees:	projected FT additional:	projected FT additional:
part-time employees:	projected PT additional:	projected PT additional:
seasonal employees:	projected S additional:	projected S additional:
<b>TOTAL:</b>	<b>TOTAL:</b>	<b>TOTAL:</b>

Current Annual Payroll	\$ 0
Estimated Payroll for Year 1	\$215,000
Estimated Payroll for Year 2	\$323,608

# Of New Jobs Per Month:

<b>MONTH</b>	<b>YEAR 1</b>	<b>YEAR 2</b>
January	10	0
February	0	0
March	0	0
April	0	0
May	2	3
June	0	4
July	3	0
August	0	0
September	0	0
October	0	0
November	0	0
December	0	0

<b>CATEGORY OF JOBS TO BE RETAINED</b>	<b>AVERAGE SALARY</b>	<b>AVERAGE FRINGE BENEFITS</b>
Management	\$	\$
Professional	\$	\$
Administrative	\$	\$
Production	\$	\$
Independent Contractor	\$	\$
Other:	\$	\$
<b>CATEGORY OF JOBS TO BE CREATED</b>	<b>AVERAGE SALARY</b>	<b>AVERAGE FRINGE BENEFITS</b>
General Manager	\$ 41,000	\$ 6,000 health ins.
Headline Cook	\$ 37,000	\$ 6,000 health ins.
Line Cook	\$ 23,400	\$ 0
Waitstaff	\$ 7,800 plus tips	\$ 0
Dishwasher	\$ 11,544	\$ 0
Bartender	\$14,664. plus tips	\$ 0
Hostess	\$10,400. plus tips	0
Maintenance Person	\$15,000.	0

Indicate labor market area in which the project is located and where employees may reside and commute to work (county or town):

There are a number of rental properties in Newcomb and could commute from Long Lake and surrounding towns.



Will any construction jobs to be created or retained as a result of this project? If so, how many?	
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Project Costs: See attached

Land	\$
Improvements to Land (other than site work)	\$
Site Work:	
Materials	\$
Labor	\$
Building Construction:	
Materials	\$
Labor	\$
Machinery & Building Fixtures	\$
Equipment	\$
Legal Fees (excluding financing costs)	\$
Architect & Engineering Fees	\$
Financing Costs (including transaction legal counsel)	\$
Working Capital	\$
Other:	\$
TOTAL	\$

Project Financing:

Total Amount to be Financed	\$
Term of Financing	
Indicate the name, address, telephone, fax, email and contact person of the financial institution where the applicant is seeking financing:	
<p>Has the applicant received a written commitment from the financial institution to finance the proposed project? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <input type="checkbox"/> Commitment Letter attached	
<p>Would the applicant like the Agency's assistance in obtaining a financial institution to assist in the financing of the proposed project? <input type="checkbox"/> YES* <input type="checkbox"/> NO</p> <p>*If so, an additional \$500 processing fee is payable to the Agency</p>	

see attached

Source of Funds:

Bank Financing	\$
Equity	\$
Tax Exempt Bond Issuance	\$
Taxable Bond Issuance	\$
State or Federal Grants	\$
Tax Credits	\$
Other:	\$
TOTAL	\$

Indicate source of owner equity in project:

Indicate any contribution of funds from an equity offering or venture capital funding for the proposed project:

For a manufacturing facility only, please indicate the dollar value of "capital expenditures" (as determined in accordance with the provisions of the Internal Revenue Code) that the applicant or entity related to or controlled by the applicant, has expended within the County of Essex during the past three (3) calendar years?

Indicate the proposed date for commencement of construction or acquisition of the proposed project, assuming financing of the proposed project is available to meet the

March 2015

applicant's schedule	
Indicate a schedule for the application of proceeds of financing and other moneys to acquire, construct, and equip the proposed project to completion	
Indicate the date on which the completed project is expected to be first placed in service	Dec. 2019

Indicate whether or not the Project would be likely to occur without the assistance of the Agency, and, if it could, please provide a statement indicating why the Project should be undertaken by the Agency.

We need to reduce cost of operations in order to be able to meet the needs of payroll and maintenance of the restaurant and glamping sites. Also to have the funds for ins., liquor licence and workmen comp. benefits .

### Environmental Compliance Review

Has the applicant retained an environmental engineer to assist with the environmental review, compliance procedures relating to the proposed project?  
 YES    NO   n/a

If so, please provide the name, address, telephone, fax, email and contact person of the firm:

If not, would the applicant like the Agency's assistance in obtaining the services of an environmental engineer?    YES\*    NO

\*If so, an additional \$500 processing fee is payable to the Agency

If an environmental assessment form or a draft environmental impact statement has been prepared by the applicant, please attach a copy of the completed form to the Application.

Attached

To the knowledge of the applicant, has there ever been any toxic or hazardous waste materials located or stored on the site of the proposed project site, or has any activity ever been conducted on the site of the proposed project which could be expected to generate toxic or hazardous waste material?  YES  NO

For a proposed project located in the Adirondack Park, has the applicant received the permission of the Adirondack Park Agency to acquire and construct the proposed project?  YES  NO

If not, when does the applicant expect to receive such permission?

Attach copy of APA permit if applicable

**PART C**

Is the company a not-for-profit corporation qualified under Section, 501(c) 3 of the Internal Revenue Code?  YES  NO

If yes, attach copy of IRS designation letter

Does the project fulfill a public purpose for Essex County or a municipality within Essex County? Yes dining and lodging

What are the economic development aspects of the project?  
See attached

Are there serious policy or potential issues which may preclude the project being financed by a municipality or Essex county?      no

- As recommended by the Office of the State Comptroller, the Agency will require the inclusion of recapture provisions in project agreements to allow the Agency to recoup, in coordination with the NYS Department of Finance and Taxation and pursuant to Agency policies, some or all of previously granted benefits if job creation/retention goals or other terms of the agreements are not met. By signing this application, the applicant acknowledges that:
- the submission of any knowingly false or misleading information may lead to immediate termination or recapture of tax benefits;
- the applicant is in compliance with the anti-pirating provisions of Section 862 (1) of the General Municipal Law.
- the owner, occupant or operator to receive financial assistance is in substantial compliance with state, local and federal tax, worker protection and environmental laws.
- the Agency will conduct a cost/benefit analysis to determine whether the project will (i) create or retain employment, (ii) stimulate private sector investment, (iii) be completed in a timely fashion, and (iv) provide additional revenues for municipalities and school districts.
- upon completion, the Agency a least annually will assess the progress of the project in achieving job retention and/or expansion and investment in Essex County.

**PART D**  
**Certification**

\_\_\_\_\_  
Anthony Audino (name of chief executive officer of company)  
deposes and says that he/she is the \_\_\_\_\_ (title) of  
The Trailhead Resort LLC/The Lake Harris Lodge (name of Applicant); that he/she has read the  
foregoing Application and knows the contents thereof, that the same is true to  
his/her knowledge.

The grounds for deponent's belief relative to all matters in the Application which are not stated upon his/her own personal knowledge, are investigations which deponent has caused to be made concerning to subject matter of the Application, as well as information acquired by deponent in the course of his/her duties as an officer of and from the books and papers of said corporation or other entity.

As an officer of the applicant deponent acknowledges and agrees that the applicant shall be and is responsible for all costs incurred by the County of Essex Industrial Development Agency (the "Agency") and legal counsel for the Agency, whether or not the application, the proposed project it describes, the attendant negotiations, or the issue of bonds or other transaction or agreement are ultimately ever carried to successful conclusion.

By executing and submitting this application, the applicant covenants and agrees to pay the following fees to the Agency, the same to be paid at the times indicated:

- (a) The sum of \$1,000 as a non-refundable processing fee, plus the sum of \$500 if Agency assistance in retaining professionals if requested, to be paid upon submission of the Application;
- (b) The sum of:
  - 0.75% on the first \$10 million of project financing
  - 0.50% on the next \$11 million to \$20 million
  - 0.25% on the next \$21 million to \$30 million
  - 0.125% on the next \$31 millionfor which the Essex County IDA provides financial assistance, to be paid at transaction closing;
- (c) An amount equal to \$2,500 payable to the Agency's bond/transaction counsel for the preparation and review of the inducement resolution, the environmental compliance resolution, TEFRA hearing proceedings and the "tax questionnaire" assuming no further activity occurs after completion of inducement proceedings, to be paid within ten (10) business days of the receipt of bond/transaction counsel's invoice;
- (d) All fees, costs and expenses incurred by the Agency for (1) legal services, including but not limited to those provided by the Agency's general counsel (Briggs Norfolk) and bond/transaction counsel (Squires Sanders), and (2) other consultants retained by the Agency in connection with the proposed project; with all such charges to be paid by the applicant at the closing or, if the closing does not occur, within ten (10) business days of receipt of the Agency's invoices therefore (Please note that the applicant is entitled to

- receive a written estimate of fees and costs of the Agency's general counsel and bond/transaction counsel prior to inducement);
- (e) The cost incurred by the Agency and paid by the applicant, including bond/transaction counsel and the Agency's general counsel's fees and the processing fees, may be considered as a costs of the project and included in the financing of costs of the proposed project.

The applicant further covenants and agrees that the applicant is liable for payment to the Agency of all charges referred to in section above, as well as all other actual costs and expenses incurred by the Agency in handling the application and pursuing the proposed project notwithstanding the occurrence of any of the following:

- (a) The applicant's withdrawal, abandonment, cancellation or failure to pursue the Application;
- (b) The inability of the Agency or the applicant to procure the services of one or more financial institutions to provide financing for the proposed project;
- (c) The applicant's failure, for whatever reason, to undertake and/or successfully complete the proposed project; or
- (d) The Agency's failure, for whatever reason, to issue tax-exempt revenue bonds in lieu of conventional financing.

The Trailhead Resort LLC

(name of corporation or entity)

Anthony F. Audino

(name of officer)

Owner

(title)

NOTARY

Sworn to before me this 4<sup>th</sup> day of November, 20 19

Mary A. Pound  
(Signature)

MARY A. POUND  
Notary Public, State of New York  
Registration No. 01PO4933473  
Qualified in Essex County  
Commission Expires May 31, 2022

**PART E**

As a condition to issuing financial assistance for the proposed project, the County of Essex Industrial Development Agency (the "Agency") is required by the Office of the New York State Comptroller ("OSC") to obtain the following supplementary information on an annual basis from the applicant during the term of project:

1. Outstanding balance at beginning and end of the year and principal payments made during the year for tax-exempt and taxable bond financing (if applicable)
2. Current interest rate (for adjustable rate bonds, the interest rate at year end)
3. PILOT payments including real estate tax exemptions for county, local (city, town, village, fire district) and school district taxes.
4. Annual Sales Tax Filings: In accordance with Section 874(8) of the NY General Municipal Law, the applicant understands and agrees, that if project receives any sales tax exemptions as part of the financial assistance from the Agency, in accordance the applicant agrees to file with the NYS Department of Taxation and Finance, the annual form (ST-340) describing the value of all sales tax exemptions claimed by the applicant and all consultants or subcontractors retained by the applicant. Copy of the report will be sent to the Agency.
5. Employment Reporting: The applicant understands and agrees that if the project receives any financial assistance from the Agency, at least annually or otherwise requested by the Agency, reports regarding the number of people employed at the project site, salary, fringe benefits, etc. will be sent to the Agency within 30 days of request. Report will include copies of latest NYS-45 report.

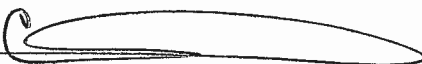
The information requested above is required by February 15<sup>th</sup> of each succeeding year and should be submitted in writing to the Agency at its office at PO Box 217, 7566 Court Street, Elizabethtown, New York 12932. Failure to provide requested reports shall be an event of default of the terms and conditions of the agreement.

The applicant, through its signing officer, certifies that it has reviewed, understands and will comply with the above, as required by OCS.

The Trailhead Resort LLC  
The Lake Harris Lodge DBA  
(Company)

By: Anthony Audino  
(Name and Title)

Date: Nov. 4, 2019

  
11/4/19



Newcomb has an abundance of natural and historical attractions that bring tens of thousands of visitors each year, according to The Newcomb Comprehensive Plan. These attractions include the Adirondack Interpretive Center and SUNY Environmental Science and Forestry; The National Historic Site at Santanoni, with its Farm Complex, Great Camp, and Newcomb Lake; Rich Lake; Goodnow Mountain with its fire tower and panoramic views; Lake Harris and the town beach; the Newcomb Historical Society; the Hudson River Information Center; the Huntingdon Forest; the ghost town of Tahawus and the Adirondack Iron and Steel Upper Works, near pristine Henderson Lake and access to Mount Marcy and other High Peaks; many trailheads and hikes; and the former Finch Pruyn lands recently acquired by New York State.

The rationale for opening "The Trailhead Resort" is to increase the availability of accommodation, dining and guest services in the Town of Newcomb, where at present there is only one lodge (The Hoot Owl Lodge), a small number of privately rented cabins, including The Owl's Nest, The Lake Harris Campground, and The Newcomb House, a bar with a limited menu. The Hoot Owl Lodge is often sold out, as is The Owl's Nest; the demand for accommodations far exceeds supply. Thus, Newcomb visitors cannot dine and/or be accommodated in town and are compelled to go elsewhere. The result is a significant economic loss to Newcomb of invaluable business and employment opportunities as visitors come for the day but do not stay overnight. By providing food, lodging and visitor services of high quality in the center of Newcomb, The Resort will enable guests to stay for a night, a week, or longer, to patronize other Newcomb and Five Town area businesses, and to explore Newcomb's many attractions at their leisure.

In addition, residents of Newcomb have no place in Newcomb to meet for a meal or even a cup of coffee or a drink, other than the bar at The Newcomb House. Organizations such as The Newcomb Lions are compelled to go miles out of town for festive events. Thus, the Resort would fill a need not only for guests but also for residents, including seniors, and local organizations, by providing a place to meet, a restaurant for fine dining, and a taproom for less expensive meals, as well as accommodation for residents' visiting guests.

Finally, The Resort will succeed the old Lake Harris House in the midst of Newcomb on Route 28N with an attractive establishment bringing activity to the center of Newcomb. It provides access to 185 feet of lakefront and docking on Lake Harris, which leads by boat to Rich Lake, the Lake Harris Campgrounds, the Adirondack Interpretive Center and the Hudson River, convenient access to the newly acquired State lands, and nearby access to the attractions in the Five Towns region.

New York State's acquisition of former Finch Pruyn lands over the last five years is the largest single addition to the Adirondack Forest Preserve in more than a century and opens these lands to public enjoyment and recreation. Most of these lands lie in the towns of Newcomb, Indian Lake, North Hudson and Minerva. Lands in or near Newcomb include the Essex Chain of Lakes, portions of the Hudson River, The Boreas Tract, the East and West Macintyre Tracts, and OK Slip Falls, including part of the Hudson Gorge. The Resort will facilitate access to these lands in two ways: by providing conveniently located food, lodging, and guest services, and by making recreational equipment and guide services available for those visiting these beautiful areas.