Adopted: March 21, 2001
As Amended: May 14, 2012
As Amended: January 14, 2013
As Amended: August 8, 2013
As Amended: June 13, 2016
As Amended: March 10, 2020
As Amended April 8, 2025

TO APPLICANTS

(Project Sponsor)

The County of Saratoga Industrial Development Agency was established by special act of the New York State Legislature in 1971.

Industrial Development Agencies were first legally authorized in 1969 when the New York State Legislature added a new Article 18-A to the General Municipal Law to provide for the establishment, by special act of the legislature, of local industrial development agencies as public benefit corporations.

Once established, a local industrial development agency is authorized to issue "taxable" industrial revenue bonds for the purposes of acquiring machinery, equipment, and other facilities deemed necessary or desirable in connection therewith, or incidental thereto, whether or not now in existence or under construction, which shall be suitable for manufacturing, warehousing, research, commercial or industrial purposes. Projects may also be financed through a "Straight Lease" transaction which may entail a conventional mortgage or other form of private financing.

- Qualifying projects are eligible to receive tax abatements relating to (i) state and local sales tax relating to the construction of a facility (100% exemption), (ii) mortgage recording tax (75% exemption) and (iii) real property taxes including school taxes, all in accordance with the Agency's adopted Uniform Tax Exemption Policy. For each approved project, the Agency may grant all or a portion of the above in its discretion. In order for the abatements to attach to a project, the Agency must be granted an interest (typically a leasehold interest) in the underlying real property which interest is then leased back to the applicant for a term equal to the duration of the approved abatements..

APPLICATION PROCEDURES

1. Submission of a completed project summary sheet.

2. A meeting will be scheduled with the applicant and Agency representatives to review the .submitted project summary sheet.

3. Following such meeting and provided that the project as described meets Agency eligibility guidelines, the applicant will be invited to submit a complete application for financial assistance to be accompanied by the submissions listed on the following page together with a check in the amount of $1,000 representing the nonrefundable Agency application fee.

4. A public meeting will be scheduled at which time the application will be reviewed and the applicant will be permitted to make a presentation regarding the project described in the application.

5. At the conclusion of the presentation the members of the Agency will vote to either accept the application and schedule a public hearing or decline to move forward with the application.

6. If accepted, the Agency will schedule a time at which a public hearing will be conducted to be held in the jurisdiction (town or city) where the proposed project is to be located. The affected taxing jurisdictions (village/town/city, school district and county) will be notified of the time and place of the public hearing and a notice of the public hearing will be published in a local newspaper..

7. Following the close of the public hearing, the Agency will consider adoption of an inducement resolution which (1) grants preliminary authorization for the extension by the Agency of financial assistance for a project, (2) describes the financial assistance to be rendered, and (3) sets forth the conditions for final approval including, but not limited to, compliance by the Agency with the provisions of the new York State Environmental Quality Review Act.

8. Following the adoption of the inducement resolution, the applicant may request that the applicant and other designees be appointed agent of the Agency for purposes of undertaking the project. This allows the applicant to exempt project-related purchases from state and local sales tax. This appointment cannot occur until all land use approvals have been obtained and a determination under the State Environmental Quality Review Act with respect to the project has been made by a third party governmental agency and confirmed by the Agency.

It is the responsibility of the Applicant to provide at least 60 days notice to the Agency and its counsel of the intended closing date at which time the Agency will obtain a leasehold interest in the project site. If the project involves third party financing and the applicant is seeking to utilize any mortgage recording tax exemption which may have been approved, a copy of any financing commitment must be submitted at this time. This will allow the Agency at its next meeting to adopt a final resolution of the project and allow for a "closing". This closing would occur simultaneously with any financing closing, if applicable. At the time of closing the applicant is responsible to pay the applicable administrative fee due the Agency (unless previously paid) as well as Agency counsel and special counsel fees, as applicable.

The providing of financial assistance by the Agency triggers certain filing and/or reporting requirements with respect to employment and tax benefits received.

REQUIRED SUBMISSIONS

1. An original and eleven (11) fully completed and executed copies of the Application.

2. Non-refundable application fee in the amount of One Thousand Dollars ($1,000.00) payable to: COUNTY OF SARATOGA INDUSTRIAL DEVELOPMENT AGENCY.

3. One copy of the audited (if available) financial statements of the applicant for the immediately preceding three (3) years together with pro-forma relating to the project (if project relates to new business operation).

4. If available, four (4) copies of a letter of intent or commitment letter from proposed lender for the Project.

5. Two (2) copies of a site plan or building plan with respect to the project.

6. An original and eleven (11) copies of fully completed and executed Environmental Assessment Questionnaire. (Attachment "A").

7. An original and eleven (11) copies of fully completed and executed Employment Reporting Agreement and Plan. (Attachment "B").

9. An original and eleven (11) copies of fully completed and executed Sales Tax Reporting Agreement. (Attachment "C").

10. An original and eleven (11) copies of a fully executed Labor Policy Form. (Attachment ""D").

11. An original and eleven (11) copies of a fully executed Construction Employment Agreement. (Attachment ""D-1").

12. An original and eleven (11) copies of a fully executed Cost Benefit Analysis Input Sheet . (Attachment ""E").

PURSUANT TO THE PROVISIONS OF ARTICLE SIX OF THE NEW YORK STATE PUBLIC OFFICERS LAW, ALL SUBMISSIONS TO THE AGENCY ARE SUBJECT TO PUBLIC INSPECTION SUBJECT TO THE PROVISIONS OF SECTION 87(2) THEREOF.

NOTE: THIS APPLICATION WILL NOT BE ACCEPTED BY THE AGENCY UNLESS THE FOLLOWING HOLD HARMLESS AGREEMENT IS SIGNED BY THE APPLICANT.

HOLD HARMLESS AGREEMENT

Applicant hereby releases the County of Saratoga Industrial Development Agency and the members, officers, servants, agents and employees thereof (hereinafter collectively referred to as 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 (i) 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 issue of bonds requested thereof are favorably acted upon by the Agency, and (ii) the Agency's financing of the Project described herein; 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 find buyers willing to purchase the total bond issue requested, then, upon presentation of an invoice itemizing the same, Applicant shall pay to the Agency, its agents or assigns, all actual costs incurred by the Agency in the processing of the Application, including attorneys' fees.

Applicant

By: JUSTINE STECIUK

Applicant

By:

Sworn to before me this
10th day of October, 2024

Notary Public

J. GREGORY CONNORS
Notary Public State of New York
Qualified in Saratoga Co.
Regis. #01C04855589
My Comm. Expires 4-7-2030

Section I: Applicant Information

Please answer all questions. Use "None" or "Not Applicable" where necessary.

A) Applicant Information-company receiving benefit:

Applicant Name: VarStec Power Solutions

Applicant Address: 10 America Way, Saratoga Springs, NY 12866

Phone: 1-855-VARSTEC Fax: _____

Website: www.varstec.com E-mail: info@varstec.com

Federal ID#: 42-2696135 NAICS: 335313

State and Year of Incorporation/Organization: Delaware / 2026 / C Corp

List of stockholders, members, or partners of Applicant: _____

Paul Steciuk, Peter Steciuk, Justine Steciuk, Maureen Steciuk

Will a Real Estate Holding Company be utilized to own the Project property/facility? ☑ Yes or ☐ No

What is the name of the Real Estate Holding Company: VPS Adirondack Holdings, LLC

Federal ID# of Real Estate Holding Company: 42-3641121

State and Year of Incorporation/Organization: NY / 2026 / LLC

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

Paul Steciuk, Peter Steciuk, Justine Steciuk, Maureen Steciuk

Entity assisting in application (SEDC): _____

B) Individual Completing Application:

Name: Justine Steciuk

Title: Managing Member, VPS Adirondack Holdings / General Counsel, VarStec

Address: 10 America Way, Saratoga Springs, NY 12866

Phone: 518-301-5737 Fax: _____

E-Mail: justine.steciuk@varstec.com

C) Company Contact (if different from individual completing application):

Name: same

Title: _____

Address: _____

Phone: _____ Fax: _____

E-Mail: _____

D) Company Counsel:

Name of Attorney: Justin Grassi (Attorney for Closing)
Firm Name: Jones Steves Grassi LLP, Attorneys at Law
Address: 68 West Avenue, PO Box 4400, Saratoga Springs, NY 12866
Phone: 518-587-0080 Fax: 518-580-0857
E-mail: jgrassi@saratogalaw.com

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

1. Exemption from Sales Tax ☑ Yes or ☐ No
2. Exemption from Mortgage Recording Tax ☑ Yes or ☐ No
3. Exemption from Real Property Tax ☑ Yes or ☐ No
4. Tax Exempt Financing * ☐ Yes or ☑ No

* (typically small qualified manufacturers)

F) Business Organization (check appropriate category):

S Corporation	☐		
Corporation	☐	Partnership	☐
Public Corporation	☐	Joint Venture	☐
Sole Proprietorship	☐	Limited Liability Company	☑

Other (please specify) _____
Year Established: 2026
State in which Organization is established: NY

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

Name	% of ownership
Paul Steciuk, Peter Steciuk	25%, 25%
Justine Steciuk, Maureen Steciuk	25%, 25%

H) Applicant Business Description:

Describe in detail company background, products, customers, goods and services. Description is critical in determining eligibility: VarStec Power Solutions is a 100% employee owned company specializing in the design and manufacture of custom-engineered medium-voltage reactive power compensation and power quality solutions for industrial, utility, renewable energy, and data center applications. Mechanical/electrical design, sheet metal fabrication, certified welding, low-VOC painting/coating, factory assembly, high-voltage test lab operations, and field commissioning.

Estimated % of sales within Saratoga County: 0

Estimated % of sales outside Saratoga County but within New York State: 5%

Estimated % of sales outside New York State but within the U.S.: 75%

Estimated % of sales outside the U.S. 20%

(*Percentage to equal 100%)

I) What percentage of your total annual supplies, raw materials and vendor services are purchased from firms in Saratoga County. Include list of vendors, raw material suppliers and percentages for each. Provide supporting documentation including estimated percentage of local purchases.

Approx. 5-10% (estimated). VarStec anticipates purchasing approximately 5-10% of its annual supplies, raw materials, and vendor services from Saratoga County businesses. Expected to include certain fabrication materials and services, electrical and mechanical supplies, packaging, transportation, facility-related services, and professional services. Specialized electrical components are generally sourced from vendors outside of Saratoga County.

Section II: Project Description & Details

A) Project Location:

Municipality or Municipalities of current operations: Saratoga Springs

Will the Proposed Project be located within the Municipality, or within a Municipality, identified above?

☐ Yes or No ☑

If Yes, in which Municipality will the proposed project be located? _____

If No, in which Municipality will the proposed project be located? Moreau

Provide the Property Address of the proposed Project:

Combined lots. Address forthcoming.

SBL (Section, Block, Lot) # for Property upon which proposed Project will be located: 414489 50.-4-,17.18.21

Acreage of proposed Project site: 10.68

What are the current real estate taxes on the proposed Project Site? 0.00

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

Land: $271,500 Buildings(s): $0

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

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

Town/City/Village: Moreau School District: Hudson Falls Central School District

Does the Applicant or any related entity currently hold fee title to the Project site? ☐ Yes or ☑ No

If No, indicate name of present owner of the Project Site: Town of Moreau

Does Applicant or related entity have an option/contract to purchase the Project site? ☑ Yes or ☐ No

Describe the present use of the proposed Project site: Vacant industrial zoned property.

B) Please provide narrative of project, the purpose of the project (new build, renovations, and/or equipment purchases), and the type of project (educational, recreational, historic preservation, etc.). Identify specific uses occurring within the project. Describe any and all tenants and any/all end users: (This information is critical in determining project eligibility – Attach additional pages if necessary): Acquisition/construction and fit-up of a primary corporate headquarters, engineering development center, and specialized manufacturing facility. Capital investment is estimated at $5 million - $8 million for site acquisition, building buildout, 80-ton crane installation, impulse test labs, paint booth, and production tooling. Our current space does not allow for the growth and anticipated activities.

Describe the reasons why the Agency's financial assistance is necessary, and the effect the Project will have on the Applicant's business or operations. Focus on competitiveness issues, project shortfalls, etc… Your eligibility determination will be based in part on your answer (attach additional pages if necessary): Keeping in the state and locally for ease of building out the facility. We can consider locating anywhere in the northeast. We want to locate it here and these incentive make the area and the specific parcels feasible and competitive with other locations being considered.

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: _____

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

The municipality will not have additional revenue streams from property, school and sales tax and the residents will not have additional options for employment closer to home.

C) Will Project include the leasing of any equipment? ☐ Yes or ☑ No

If Yes, please describe: _____

D) Site Characteristics:

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

Describe the present zoning/land use: Industrial

Describe required zoning/land use, if different: Industrial

If a change in zoning/land use is required, please provide details/status/timeline of any request for change of zoning/land use requirements: _____

1. Utilities serving project site:

   a. Water - Municipal: Town of Queensbury/Saratoga Water District

      Other (Describe): _____

   b. Sewer - Municipal: Saratoga County Water District

      Other (Describe): _____

c. Electric – Utility: National Grid

Other (Describe): _____

d. Heat – Utility: National Grid

Other (Describe): _____

e. Gas – Utility: National Grid

Other (describe): _____

2. Are there public infrastructure improvements required or proposed? ☑ Yes ☐ No
If yes, please describe:
See our understanding above regarding water and sewer.
If the water and sewer is not currently there, then we would need these improvements.

Is the proposed project located on a site where the known or potential presence of contaminants is complicating the development/use of the property? If yes, please explain: No.

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

F) Have any other studies or assessments been undertaken with respect to the proposed project site that indicate the known or suspected presence of contamination that would complicate the site's development? ☐ Yes or ☑ No. If yes, please provide copies of the study

G) Provide any additional information or details: N/A

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

** Please check any and all end users as identified below.
** Will customers personally visit the Project site for either of the following economic activities? If yes with respect to either economic activity indicated below, complete the Retail Questionnaire contained in **Section III** of the Application.

Retail Sales: ☐ Yes or ☑ No Services: ☐ Yes or ☑ No

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

Industrial	☑	Back Office	☐
Acquisition of Existing Facility	☐	Mixed Use	☐
Housing	☐	Facility for Aging	☐
Equipment Purchase	☐	Other_____	
Multi-Tenant	☐		
Commercial	☐		

I) Project Information:

Estimated costs in connection with Project:

1.	Land and/or Building Acquisition: 10.68 acres _____ square feet	$ 639,100
2.	New Building Construction: _____ square feet	$ _____
3.	New Building Addition(s): 50,000 square feet	$ 4,360,900
4.	Infrastructure Work	$ _____
5.	Reconstruction/Renovation: _____ square feet	$ _____
6.	Manufacturing Equipment:	$ _____
7.	Non-Manufacturing Equipment (furniture, fixtures, etc.):	$ 1,500,000
8.	Soft Costs: (professional services, etc.):	$ 500,000
9.	Other, Specify: _____	$ _____
	TOTAL Capital Costs:	$ 7,000,000

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

Construction Cost Breakdown:

a. Total Cost of Construction (sum of 2,3,4, 5, 6 and 7 in Question I, above) $ 4,360,900

b. Cost for materials subject to sales tax $ 2,180,450

c. Non-manufacturing costs (#6 in Question I above) $ _____

d. % sourced in Saratoga County: (est) 30 %

e. % sourced in New York State: (est) 70 %

f. Cost for labor: $ 2,180, 450

TT Peter - did he talk with anyone about the pricing/cost for the construction? For example, where does the contractor souce steel.

Sources of Funds for Project Costs:

Bank Financing: $ 5,600,000

Equity (excluding equity that is attributed to grants/tax credits): $ 1,400,000

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:

_____ $ _____

_____ $ _____

_____ $ _____

_____ $ _____

Other: _____ $ _____

Total Sources of Funds for Project Costs: $ 7,000,000

Total Investment by applicant: $ 1,400,000

Total Amount being financed: $ 5,600,000

Percent of total costs be financed through the public sector _____ %

Percent of total costs be financed through the private sector 80 %

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

If Yes, describe particulars:_____

_____

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

Mortgage Amount (include sum total of construction/permanent/bridge financing): $ 5,600,000

Estimated Mortgage Recording Tax Exemption Benefit (product of mortgage amount as indicated above multiplied by current mortgage recording tax in Saratoga County multiplied by .75%):

$ 42,000

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

$ 2,180,450

Estimated State and local Sales and Use Tax Benefit (product of _7_% multiplied by the figure, above):

$ 257,632

** *Note that the estimate provided above will be provided to the New York State Department of Taxation and Finance. The Applicant acknowledges that the transaction documents may include a covenant by the Applicant to undertake the total amount of investment as proposed within this Application, and that the estimate above represents the maximum amount of sales and use tax benefit that the Agency may authorize with respect to this Application. The Agency may utilize the estimate above as well as the proposed total Project Costs as contained within this Application, to determine the Financial Assistance that will be offered.*

Real Property Tax Benefit:

Identify and describe if the Project will utilize a real property tax exemption benefit OTHER THAN the Agency's PILOT benefit: N/A

IDA PILOT Benefit: Indicate the amount of PILOT Benefit based on estimated Project Costs as contained herein and anticipated tax rates and assessed valuation, including the annual PILOT Benefit abatement amount for each year of the PILOT benefit year and the sum total of PILOT Benefit abatement amount for the term of the PILOT as depicted in Section V of the Application.

Percentage of Project Costs financed from Public Sector sources: Calculate the percentage of Project Costs financed from Public Sector sources based upon Sources of Funds for Project Costs as depicted above in Section II(I) of the Application.

J) For the proposed facility, please indicate the square footage for each of the uses outlined below:
Cost allocations are estimated based on the proportionate square footage of each use within the proposed facility.
Actual costs and percentage allocations may vary based on final design, construction requirements, and project specifications.

*If company is paying for FFE for tenants, please include in cost breakdown

	Square Footage	Cost	% of Total Cost of Project
Manufacturing/Processing	36,000	$3,139,848	72%
Warehouse	10,000	$872,180	20%
Research & Development			
Commercial			
Retail (see section III)			
Office	4,000	$348,872	8%
Specify Other			

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

1. Start date: acquisition of equipment or construction of facilities: Estimated Q1 2027
2. Estimated completion date of project: Q3 2027
3. Project occupancy – estimated starting date of operations: Q4 2027
4. Have construction contracts been signed? ☐ Yes or ☑ No
5. Has financing been finalized? ☐ Yes or ☑ No
6. Indicate number of full-time construction jobs to be created by the project 40.

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

L) Have site plans been submitted to the appropriate Planning Department?
☐ Yes or ☑ No

** If yes, provide the Agency with a copy of the related State Environmental Quality Review Act ("SEQR") Environmental Assessment Form.

Has the Project received site plan approval from the Local Planning Board? ☐ Yes or ☑ No.

If No, What is the anticipated approval date? Q1 2027

If Yes, provide the Agency with a copy of the Planning Board's approval resolution along with the related SEQR determination. [NOTE: SEQR Determination is required for final approval and sales tax agency appointment].

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

Is project necessary to retain existing employment: ☑ Yes or ☐ No

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

Indicate below the number of people presently employed at the site of the project and the number that will be employed at the site at the end of the first and second years after the project has been completed. (Do not include construction workers.)

	TYPE OF EMPLOYMENT			
	Professional Managerial Technical	Skilled	Unskilled or Semi – Skilled	Totals
PRESENT: Full Time	3			3
Part Time	2			2
Seasonal				
FIRST YEAR: Full Time	4	2		6
Part Time	2			2
Seasonal				
SECOND YEAR: Full Time	8	5		13
Part Time	2			2
Seasonal				
THIRD YEAR: Full Time	8	5	5	18
Part Time:	2			2
Seasonal:				

Indicate number of construction jobs expected to be generated by the project and the expected duration of such jobs:

Number of Jobs 40 Length of Employment 6-9 months

*** By statute, project the number of FTE jobs that would be retained and created if the request for Financial Assistance is granted. Project such jobs over the Three-Year time period following Project completion. Convert PTE jobs into FTE jobs by dividing the number of PTE jobs by two (2). Round down if not a whole number.

Note: Agency Staff will review and verify all projections.

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

Category of Jobs to be Retained and Created	Average Salary or Range of Salary	Average Fringe Benefits or Range of Fringe Benefits
Management	$150,000-$225,000	25-30% of salary
Professional	$110,000-$160,000	25-30% of salary
Administrative	$75,000-$100,000	25-30% of salary
Production	$70,000-$100,000	25-30% of salary
Independent Contractor	varies by engagement	
Other		

Annual Payroll Current: $235,000

Annual Payroll, Yr. 1 (after project completion) $685,000

Annual Payroll, Yr. 2 $1,685,000

Annual Payroll, Yr. 3 $ 2,060,000

Estimated payroll is based on projected staffing levels and anticipated compensation ranges. Actual payroll may vary based on hiring timing, position mix, market conditions, and final

Employment at other locations in Saratoga County: (provide address and number of employees at each location): VarStec currently maintains an administrative/business physical address at 10 America Way, Saratoga Springs, NY, but all current employees work remotely. Most employees will work on site in Moreau once the facilities are complete.

	Address	Address	Address
Full time			
Part Time			
Total			

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

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

*** Please note that the Agency may utilize the foregoing employment projections, among other items, to determine the Financial Assistance that will be offered by the Agency to the Applicant. The Applicant acknowledges that the transaction documents may include a covenant by the Applicant to retain the number of jobs and create the number of jobs with respect to the Project as set forth in this Application.*

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

If yes, please explain and identify out-of-state locations investigated, type of assistance offered and provide supporting documentation if available: We are in the process of evaluating out-of-state including Vermont.

Q) What competitive factors led you to inquire about sites outside of New York State? Cost of building and operating.

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

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

Section III Retail Questionnaire

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

Please answer the following:

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

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

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

B. What percentage of the cost of the Project will be expended on such facilities or property primarily used in making sales of goods or services to customers who personally visit the project? _____%. **If the answer is less than 33% do not complete the remainder of the retail determination and proceed to section V.**

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

1. Is the Project location or facility likely to attract a significant number of visitors from outside the (8) county economic development region (Albany, Columbia, Greene, Rensselaer, Saratoga, Schenectady, Washington, Warren Counties) in which the project will be located?

☐ Yes or ☐ No

If yes, please provide a third party market analysis or other documentation supporting your response.

2. Is the predominant purpose of the project to make available goods or services which would not, but for the project, be reasonably accessible to the residents of the municipality within which the proposed project would be located because of a lack of reasonably accessible retail trade facilities offering such goods or services?

☐ Yes or ☐ No

If yes, please provide a third party market analysis or other documentation supporting your response.

3. Will the project preserve permanent, private sector jobs or increase the overall number of permanent, private sector jobs in the State of New York?

☐ Yes or ☐ No.

If yes, explain _____

_____

4. Is the project located in a Highly Distressed Area? ☐ Yes or ☑

"Highly distressed area" – As defined in NY General Municipal Law § 854 (18)

(a) a census tract or tracts or block numbering areas or areas or such census tract or block numbering area contiguous thereto which, according to the most recent census data available, has:

(i) a poverty rate of at least twenty percent for the year to which the data relates or at least twenty percent of households receiving public assistance; and

(ii) an unemployment rate of at least 1.25 times the statewide unemployment rate for the year to which the data relates; or

(b) a city, town, village or county within a city with a population of one million or more for which:

(i) the ratio of the full value property wealth, as determined by the comptroller for the year nineteen hundred ninety, per resident to the statewide average full value property wealth per resident; and

(ii) the ratio of the income per resident; as shown in the nineteen hundred ninety census to the statewide average income per resident; are each fifty-five percent or less of the statewide average; or

(c) an area which was designated an empire zone pursuant to article eighteen-B of this chapter

Section IV Inter-Municipal Move Determination

The Agency is required by state law to make a determination that, if completion of a Project benefiting from Agency Financial Assistance results in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state, Agency Financial Assistance is required to prevent the project occupant from relocating out of the state, or is reasonably necessary to preserve the project occupant's competitive position in its respective industry.

Will the Project result in the removal of an industrial or manufacturing plant of the Project occupant from one area of the state to another area of the state?

☐ **Yes or** ☑ **No**

Will the Project result in the abandonment of one or more plants or facilities of any nature (i.e. industrial, manufacturing, commercial etc.) of the Project occupant located within the state?

☐ **Yes or** ☑ **No**

If Yes to either question, explain how, notwithstanding the aforementioned closing or activity reduction, the Agency's Financial Assistance is required to prevent the Project from relocating out of the State, or is reasonably necessary to preserve the Project occupant's competitive position in its respective industry: ___

_____

_____

_____

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

Within New York State ☐ **Yes or** ☑ **No**

Within Saratoga County/City/Town/Village ☑ **Yes or** ☐ **No**

If Yes to either question, please, explain: From Saratoga Springs to Moreau.

_____

_____

_____

_____

Section V: Estimate of Real Property Tax Abatement Benefits*** and Percentage of Project Costs financed from Public Sector sources

**** Section V of this Application will be: (i) reviewed & verified by IDA staff based upon information contained within the Application, and (ii) provided to the Applicant for ultimate inclusion as part of this completed Application.**

PILOT Estimate Table Worksheet

Dollar Value of New Construction and Renovation Costs	Estimated New Assessed Value of Property Subject to IDA*	County Tax Rate/1000	Local Tax Rate(s) (Town/City/Village)/1000	School Tax Rate/1000
$3,250,000	$639,100	$1.823568	$0.784174	$9.143616

*Apply equalization rate to value

1	2	3	4	5	6	7	8
PILOT Year	% Payment	County PILOT Amount	Local PILOT Amount	School PILOT Amount	Total PILOT (3+4+5)	Full Tax Payment w/o PILOT	Net Exemption (7-6)
1st	0%	$1,165	$501	$5,844	$7510	$45,702	$38,192
2nd	0%	$1,165	$501	$5,844	$7510	$45,702	$38,192
3rd	0%	$1,165	$501	$5,844	$7510	$45,702	$38,192
4th	0%	$1,165	$501	$5,844	$7510	$45,702	$38,192
5th	0%	$1,165	$501	$5,844	$7510	$45,702	$38,192
6th	0%	$1,165	$501	$5,844	$7510	$45,702	$38,192
7th	0%	$1,165	$501	$5,844	$7510	$45,702	$38,192
8th	0%	$1,165	$501	$5,844	$7510	$45,702	$38,192
9th	0%	$1,165	$501	$5,844	$7510	$45,702	$38,192
10th	0%	$1,165	$501	$5,844	$7510	$45,702	$38,192
TOTAL	100	$11,654	$5,012	$58,437	$75,103	$457,022	$381,922

*** **Estimates provided are based on current property tax rates and assessment value (current as of date of application submission) and will be reviewed and verified by IDA staff**

Percentage of Project Costs financed from Public Sector Table Worksheet:

Total Project Cost	Estimated Value of Property Tax Exemptions	Estimated Value of Sales Tax Exemptions	Estimated Value of Mortgage Tax Exemptions	Total of Other Public Incentives (Tax Credits, Grants, ESD Incentives, etc.)
$7,000,000	$381,922	$257,632	$42,000	n/a

Percentage of Project Costs financed from Public Sector (Est. Property Tax + Est. Sales Tax+ Est. Mortgage Tax+ Other) / Total Project Cost): 9.7 %

Section VI Representations, Certifications and Indemnification

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

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

A. Job Listings: In accordance with Section 858-b(2) of the New York General Municipal Law, the Applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, except as otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the Project will be listed with the New York State Department of Labor Community Services Division (the "DOL") and with the administrative entity (collectively with the DOL, the "JTPA Entities") of the service delivery area created by the federal job training partnership act (Public Law 97-300) ("JTPA") in which the Project is located.

B. First Consideration for Employment: In accordance with Section 858-b(2) of the New York General Municipal Law, the Applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, except as otherwise provided by collective bargaining agreements, where practicable, the Applicant will first consider persons eligible to participate in JTPA programs who shall be referred by the JTPA Entities for new employment opportunities created as a result of the Project.

C. Annual Sales Tax Filings: In accordance with Section 874(8) of the New York General Municipal Law, the Applicant understands and agrees that, if the Project receives any sales tax exemptions as part of the Financial Assistance from the Agency, in accordance with Section 874(8) of the General Municipal Law, the Applicant agrees to file, or cause to be filed, with the New York State Department of Taxation and Finance, the annual form prescribed by the Department of Taxation and Finance, describing the value of all sales tax exemptions claimed by the Applicant and all consultants or subcontractors retained by the Applicant. Copies of all filings shall be provided to the Agency.

D. Employment Reports: The Applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, the Applicant agrees to file, or cause to be filed, with the Agency, at least annually or as otherwise required by the Agency, reports regarding the number of people employed at the project site, salary levels, contractor utilization and such other information (collectively, "Employment Reports") that may be required from time to time on such appropriate forms as designated by the Agency. Failure to provide Employment Reports within 30 days of an Agency request shall be an Event of Default under the PILOT Agreement between the Agency and Applicant and, if applicable, an Event of Default under the Agent Agreement between the Agency and Applicant. In addition, a Notice of Failure to provide the Agency with an Employment Report may be reported to Agency board members, said report being an agenda item subject to the Open Meetings Law.

E. The Applicant acknowledges that certain environmental representations will be required at closing. The Applicant shall provide with this Representation, Certification and Indemnification Form copies of any known environmental reports, including any existing Phase I Environmental Site Assessment Report(s) and/or Phase II Environmental Investigations. The Agency may require the Company and/or owner of the premises to prepare and submit an environmental assessment and audit report, including but not necessarily limited to, a Phase I Environmental Site Assessment Report and a Phase II Environmental Investigation, with respect to the Premises at the sole cost and expense of the owner and/or the Applicant. All environmental assessment and audit reports shall be completed in accordance with ASTM Standard Practice E1527-05, and shall be conformed over to the Agency so that the Agency is authorized to use and rely on the reports. The Agency, however, does not adopt, ratify, confirm or assume any representation made within reports required herein.

F. The Applicant and/or the owner, and their successors and assigns, hereby release, defend and indemnify the Agency from any and all suits, causes of action, litigations, damages, losses, liabilities, obligations, penalties, claims, demands, judgments, costs, disbursements, fees or expenses of any kind or nature whatsoever (including, without limitation, attorneys', consultants' and experts' fees) which may at any time be imposed upon, incurred by or asserted or awarded against the Agency, resulting from or arising out of any inquiries and/or environmental assessments, investigations and audits performed on behalf of the Applicant and/or the owner pursuant hereto, including the scope, level of detail, contents or accuracy of any environmental assessment, audit, inspection or investigation report completed hereunder and/or the selection of the environmental consultant, engineer or other qualified person to perform such assessments, investigations, and audits.

G. Hold Harmless Provision: The Applicant acknowledges and agrees that the Applicant shall be and is responsible for all costs of the Agency incurred in connection with any actions required to be taken by the Agency in furtherance of the Application including the Agency's costs of general counsel and/or the Agency's bond/transaction counsel whether or not the Application, the proposed Project it describes, the attendant negotiations, or the issue of bonds or other

transaction or agreement are ultimately ever carried to successful conclusion and agrees that the Agency shall not be liable for and agrees to indemnify, defend, and hold the Agency harmless from and against any and all liability arising from or expense incurred by: (i) the Agency's examination and processing of, and action pursuant to or upon, the Application, regardless of whether or not the Application or the proposed Project described herein or the tax exemptions and other assistance requested herein are favorably acted upon by the Agency; (ii) the Agency's acquisition, construction and/or installation of the proposed Project described herein; and (iii) any further action taken by the Agency with respect to the proposed Project including, without limiting the generality of the foregoing, all causes of action and attorney's fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. Applicant hereby understands and agrees, in accordance with Section 875(3) of the New York General Municipal Law and the policies of the Agency that any New York State and local sales and use tax exemption claimed by the Applicant and approved by the Agency, any mortgage recording tax exemption claimed by the Applicant and approved by the Agency, and/or any real property tax abatement claimed by the Applicant and approved by the Agency, in connection with the Project, may be subject to recapture and/or termination by the Agency under such terms and conditions as will be established by the Agency and set forth in transaction documents to be entered into by and between the Agency and the Applicant. The Applicant further represents and warrants that the information contained in this Application, including without limitation information regarding the amount of the New York State and local sales and use tax exemption benefit, the amount of the mortgage recording tax exemption benefit, and the amount of the real property tax abatement, if and as applicable, to the best of the Applicant's knowledge, is true, accurate and complete.

H. This obligation includes an obligation to submit an Agency Fee Payment to the Agency in accordance with the Agency Fee policy effective as of the date of this Application

I. By executing and submitting this Application, the Applicant covenants and agrees to pay the following fees to the Agency and the Agency's general counsel and/or the Agency's bond/transaction counsel, the same to be paid at the times indicated:

(i) a non-refundable $1000. application and publication fee (the "Application Fee"); Check made out to SCIDA

(ii) a $_____expense deposit for the Agency's Counsel Fee Deposit. .

(iii) Unless otherwise agreed to by the Agency, an amount equal to_____percent (_____%) of the total project costs.

(iv) All fees, costs and expenses incurred by the Agency for (1) legal services, including but not limited to those provided by the Agency's general counsel and/or the Agency's bond/transaction counsel, thus note that the Applicant is entitled to receive a written estimate of fees and costs of the Agency's general counsel and the Agency's bond/transaction counsel; and (2) other consultants retained by the Agency in connection with the proposed project, with all such charges to be paid by the Applicant at the closing.

J. If the Applicant fails to conclude or consummate the necessary negotiations, or fails, within a reasonable or specified period of time, to take reasonable proper or requested action, or withdraws, abandons, cancels, or neglects the Application, or if the Applicant is unable to find buyers willing to purchase the bond issue requested, or if the Applicant is unable to facilitate the sale/leaseback or lease/leaseback transaction, then, upon the presentation of an invoice, Applicant shall pay to the Agency, its agents, or assigns all actual costs incurred by

the Agency in furtherance of the Application, up to that date and time, including but not necessarily limited to, fees of the Agency's general counsel and/or the Agency's bond/transaction counsel.

K. The Applicant acknowledges and agrees that all payment liabilities to the Agency and the Agency's general counsel and/or the Agency's bond and/or transaction counsel as expressed in Sections H and I are obligations that are not dependent on final documentation of the transaction contemplated by this Application.

L. The cost incurred by the Agency and paid by the Applicant, the Agency's general counsel and/or bond/transaction counsel fees and the processing fees, may be considered as a cost of the Project and included in the financing of costs of the proposed Project, except as limited by the applicable provisions of the Internal Revenue Code with respect to tax-exempt bond financing.

M. The Applicant acknowledges that the Agency is subject to New York State's Freedom of Information Law (FOIL). **Applicant understands that all Project information and records related to this application are potentially subject to disclosure under FOIL subject to limited statutory exclusions**.

N. The Applicant acknowledges that it has been provided with a copy of the Uniform Tax Exemption Policy, Attachment A, being the Uniform Modification of Real Property Tax Abatement AND Claw Back Penalty for Failure to Meet Employment Levels. The Applicant covenants and agrees that it fully understands that the Termination and Recapture Policy is applicable to the Project that is the subject of this Application, and that the Agency will implement the Termination and Recapture Policy if and when it is so required to do so. The Applicant further covenants and agrees that its Project is potentially subject to termination of Agency financial assistance and/or recapture of Agency financial assistance so provided and/or previously granted.

O. The Applicant understands and agrees that the provisions of Section 862(1) of the New York General Municipal Law, as provided below, will not be violated if Financial Assistance is provided for the proposed Project:

§ 862. Restrictions on funds of the agency. (1) No funds of the agency shall be used in respect of any project if the completion thereof would result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state, provided, however, that neither restriction shall apply if the agency shall determine on the basis of the application before it that the project is reasonably necessary to discourage the project occupant from removing such other plant or facility to a location outside the state or is reasonably necessary to preserve the competitive position of the project occupant in its respective industry.

P. The Applicant confirms and acknowledges that the owner, occupant, or operator receiving Financial Assistance for the proposed Project is in substantial compliance with applicable local, state and federal tax, worker protection and environmental laws, rules and regulations.

Q. The Applicant confirms and acknowledges that the submission of any knowingly false or knowingly misleading information may lead to the immediate termination of any Financial Assistance and the reimbursement of an amount equal to all or part of any tax exemption claimed by reason of the Agency's involvement the Project.

R. The Applicant confirms and hereby acknowledges that as of the date of this Application, the Applicant is in substantial compliance with all provisions of Article 18-A of the New York General Municipal Law, including, but not limited to, the provision of Section 859-a and Section 862(1) of the New York General Municipal Law.

S. The Applicant and the individual executing this Application on behalf of Applicant acknowledge that the Agency and its counsel will rely on the representations and covenants made in this Application when acting hereon and hereby represents that the statements made herein do not 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.

T. The Applicant acknowledges that pursuant to the provisions of Section 224-a of the New York State Labor Law any projects for which total project costs exceed $5,000,000 and for which the total of "public funds" (which is defined to include the dollar value of any exemptions or abatements provided by the Agency) equal or exceed 1/3 of the total project costs for the project are subject to prevailing wage requirements. It is the sole responsibility of the Applicant to determine whether such provisions are applicable to it and the Agency undertakes no obligation or responsibility to ensure compliance with the foregoing.

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

Justine Steciuk, being first duly sworn, deposes and says:

1. That I am the MANAGING MEMBER (Corporate Office) of UPS ADIRONDACK HOLDINGS (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 2nd day of OCTOBER, 2026

(Notary Public)

J. GREGORY CONNORS
Notary Public State of New York
Qualified in Saratoga Co.
Regis. #01C04855589
My Comm. Expires 4-7-2030

PROJECTED EMPLOYMENT PLAN

COMPANY: VarStec Power Solutions, Inc.

ADDRESS: 10 America Way, Saratoga Springs, NY 12866

TYPE OF BUSINESS: Manufacturing - Light Industrial

CONTACT PERSON: Justine Steciuk

TELEPHONE NUMBER: 518-301-5737

Please complete the following chart describing your projected employment plan following receipt of financing.

Current and Planned Full Time Occupations in Company	Current Number Full Time Jobs Per Occupation	Estimated Number of Full Time Jobs After Completion of the Project		
		1 Year	2 Year	3 Year
Prof/Manager/Technical	3	4	8	8
Skilled Production/Mfg	0	2	5	5
Semi-Skilled Prof/Mfg	0	0	0	5
TOTAL Full Time	3	6	13	18

Please indicate the estimated hiring dates for new jobs shown above and any special recruitment or training that will be required. Q2 2027 to start...mostly professional, technical but then ramping up the skilled and factory employees Q3 - Q4 2027
employees Q3 - Q4 2027
employees Q3 - Q4 2027
employees Q3 - Q4 2027

Are the employees of your firm currently covered by a collective bargaining agreement? Yes ☐ No ☑

If Yes, provide Trade's Name and Local Number: _____

Prepared by: _____

Title: _____

Signature: _____

ATTACHMENT "A"

ENVIRONMENTAL ASSESSMENT QUESTIONNAIRE

NAME OF APPLICANT: VPS Adirondack Holdings, LLC

Are approvals, consents, permits, funding or other actions required from any other governmental agency (including municipal Planning Boards, State agencies, etc.)

YES ☑ NO ☐

If "NO," skip the rest of this form and request a "long form environmental assessment form" from the Agency.

If "YES," list below the names of the other agency and the type of action required.

Name of Agency	Type of Action
Town of Moreau Planning	Site Approval

Attach copies of all Environmental Assessment Forms or Environmental Impact Statements submitted to any of the agencies you have listed.

ATTACHMENT "B"

EMPLOYMENT REPORTING AGREEMENT AND PLAN

In consideration of the extension of financial assistance by COUNTY OF SARATOGA INDUSTRIAL DEVELOPMENT AGENCY, VPS Adirondack Holdings, LLC (Project Beneficiary), agrees to cause any new employment opportunities created in connection with projects financed by the proceeds of such obligations to be listed with the New York State Department of Labor Community Services Division and with the Saratoga County Dept. of Employment & Training. VPS Adirondack Holdings, LLC (Project Beneficiary) also agrees to report to the County of Saratoga Industrial Development Agency on or before January 10 of each year on the status of employment plans filed with the Department of Economic Development, including the number of new employment opportunities created, the number listed and the number filled. VPS Adirondack Holdings, LLC (Project Beneficiary) further agrees, subject to the requirements of any existing collective bargaining agreement, to first consider for new employment opportunities those persons eligible for service under the Job Training Partnership Act.

DATED: 10/2/26

Name of Applicant

By: Justine Steciuk

Its: Managing Member

ATTACHMENT "C"

Report to Agency added 09/14/09
Abatement requires Cert.05/14/12
Recapture language in bold 08/12/13

SALES TAX REPORTING AGREEMENT

Upon being designated as an agent of the County of Saratoga Industrial Development Agency in conjunction with the issuance of Industrial Revenue Bonds or the provision of other forms of financial assistance by the Agency, VPS Adirondack Holdings VPS Adirondack Ho (Project Beneficiary) agrees to annually file a statement with the New York State Department of Taxation and Finance on a form and in such manner as is prescribed by the Commissioner, describing the value of all sales tax exemptions claimed by VPS Adirondack Holdings (Project Beneficiary) as agent for the County of Saratoga Industrial Development Agency, including but not limited to, consultants and subcontractors. VPS Adirondack Holdings (the Project Beneficiary) recognizes that failure to file such statement will result in its removal of authority to act as an agent of the Agency. VPS Adirondack Holdings (Project Beneficiary) further agrees that it will provide the Agency a report of all sales tax abated during any applicable calendar year. Such report shall include the name, city and state of any company providing materials or a service which was subject to New York State and local sales tax; a description of the materials purchased or service provided the cost of those materials or services and the amount of sales tax abated in each case. The report shall be submitted by the last day in February following the close of the calendar year in which sales tax abatement occurred. **The Company acknowledges and agrees to the extent it (i) utilizes the exemption from New York State and local sales and use tax in a manner inconsistent with the intent of this application and/or (ii) attempts to obtain an exemption from New York State and/or local sales and/or use tax which exceeds the scope of the exemption provided in this application it will be subject to a recapture of such inconsistent or excessive exemption benefits by the Agency in accordance with the provisions of Section 875 of the General Municipal Law of the State, the provisions of which are hereby incorporated herein by reference. The Company agrees to cooperate with the efforts of the Agency to recapture such inconsistent or excessive exemption benefits and shall pay said amounts to the Agency or the State of New York as required and any failure to do so shall constitute an Event of Default.**

Signature 10/2/20 Date

Managing Member Title

NOTE: Abatement of NYS Sales Tax on eligible purchases of goods and services by approved companies is subject to the issuance of a valid sales tax exemption certificate by the Agency.

ATTACHMENT "D"

LABOR POLICY

Saratoga County Industrial Development Agency
Declaration of Motivation
For the Employment of Local Tradespeople
During the Construction Phase of IDA-Benefited Projects

The County of Saratoga Industrial Development Agency (IDA), formed pursuant to Section 856 of the New York State Industrial Development Act (the "Act"), was created for the purpose of promoting employment opportunities for and the general prosperity and economic welfare of Saratoga County residents. The IDA is authorized by Section 858 of the Act to enter into agreements requiring payments in lieu of taxes ("PILOT Agreements") with private companies in order to facilitate the location or the expansion of their businesses in Saratoga County. A PILOT Agreement essentially extends, either in whole or in part, an IDA's exemption from real property and other taxes to private companies participating in IDA programs.

Construction jobs, although limited in time duration, are vital to the overall employment opportunities within Saratoga County since construction wages earned by local residents are reinvested in the local economy, adding greatly to its vitality. It is the IDA's strong conviction that companies benefiting from its programs should employ New York State residents during the construction phase of projects. Only in that way can the public benefits accruing from the IDA's efforts be maximally distributed to the residents and taxpayers of Saratoga County. It is, therefore, the request of the IDA that firms benefiting from its programs be fully cognizant of the IDA's mission to promote employment opportunities during all project phases, including the construction phase.

The IDA hereby declares its right to request companies benefiting from its programs to engage Saratoga County residents in and during the project construction phase through the addition of an amendment to the IDA project application requiring applicants, prior to and during the construction phase of the development project, to:

1. Identify the name, title, mailing address, phone/FAX/E-Mail of the project contact person who will be responsible and accountable for providing information about the bidding for and awarding of future construction contracts relative to the application and project.
2. Describe, in the best way possible, the nature of construction jobs created by the project. The description should provide as much detail as possible, including the number, type and duration of construction positions.
3. Submit to the IDA a "Construction Completion Report" listing the names and business locations of prime contractors, subcontractors and vendors who have been engaged for the construction phase of the project by companies benefiting from IDA programs.

In turn the IDA will:

1. Post all applications approved for a public hearing to its web site (www.saratogacountyida.org) within two business days of such authorization.
2. Following the public hearing and after Agency approval has been granted for an inducement resolution, the website will be promptly updated for all current data.
3. Reserve the right to modify and/or rescind benefits granted to any company under the IDA's Uniform Tax Exemption Policy for the failure to comply with any of the provision listed herein.

ATTACHMENT "D-1"

CONSTRUCTION EMPLOYMENT AGREEMENT

Recognizing the mission of the Industrial Development Agency of Saratoga County (IDA) to promote construction employment opportunities for residents of Saratoga County and in consideration of the extension of financial assistance by the IDA, VPS Adirondack Holdings, LLC (Project Beneficiary) understands that it is the Agency's policy that benefiting companies should employ New York State residents and agrees to provide the information requested below as a way to provide local construction opportunities. VPS Adirondack Holdings, LLC (Project Beneficiary) also agrees to provide an estimate of the number, type and duration of construction jobs to be created through IDA financial assistance, whether employment is gained directly through the Company, its general contractor, or individual vendors.

Upon project completion VPS Adirondack Holdings, LLC (Project Beneficiary) shall, if requested by the Agency, submit to the IDA a Construction Completion Report in which is identified names and business addresses of the prime contractor, sub-contractors and vendors engaged in the construction of the facility.

Company: TBD

Company Representative for Contract Bids and Awards:

Mailing Address:

Phone: Fax:

Email:

General Contractor, if determined

Company:

Representative:

Mailing Address:

Phone: Fax:

Email:

Construction start date is estimated to be with occupancy to be taken on

Construction Phase or Process	Duration of Construction Phase	# to be Employed

Construction Phase or Process	Duration of Construction Phase	# to be Employed

10/2/22
Dated

JUSTINE STECIUK
Name of Applicant (printed)

Signed

MANAGING MEMBER
Company Position

ATTACHMENT E

COST BENEFIT ANALYSIS INPUT SHEET

1. Summary of projected permanent, private sector jobs to be created or retained:

The proposed project is expected to support the retention of 5 existing positions and the creation of approximately 15 additional permanent private-sector jobs over the three years following project completion. Total employment is projected to increase from 5 current employees to approximately 20 employees by Year 3, including 18 full-time and 2 part-time positions. Anticipated employment growth will include professional, managerial, technical, skilled manufacturing, and semi-skilled production positions.

2. Summary of estimated value of financial assistance required:

Requests: Manufacturing PILOT $381,922,Sales Tax:$257,632 Mortgage Tax: $42,000

3. Contribution of the project to the state's renewable energy goals and emission reduction targets as set forth in the state energy plan adopted pursuant to section 6-104 of the NYS energy law:

N/A

4. Likelihood of accomplishing the proposed project in a timely fashion and reasons therefor:

Favorable likelihood.

5. The extent to which the proposed project will provide additional sources of revenue for municipalities and school districts:

Currently the property is not collecting any property tax or generating any operating or sales tax

6. Any other public benefits which might occur as a result of the project:

No

7. Extent to which the proposed project will provide onsite child care services or otherwise facilitate new child care services

N/A

Client:	**VarStec Power Solutions**		The calculations used for this application assume that the assessed value for the property							
Property:	**Combined Parcels**		will be adjusted to reflect the purchase price for the property and that the calculations were done							
SBL #:	**414489 50.-4-18/21**		based upon current equalization rates and current tax rates, both of which will adjust over time.							
	Land Purchase Price				**New Construction Cost**			**Other Costs**		
	Total Acres	10.68			Blg. Size	50,000		Machinery & Equipment	$0	
	Price/Acre	$0			Cost/Sq.ft.	$0		Fixtures & Furniture	$1,500,000	
	Land Cost (Acres x Price)	**$639,100**			Blg. Cost (Size x Cost)	**$4,360,900**		Soft Costs	$500,000	
								Total Other Costs		
	Current Tax Rates				**Land & Building Costs**	***$5,000,000***		**TOTAL PROJECT COST**	***$7,000,000***	
			Total							
	Town / City Tax Rate	0.784174	**$3,050**		**Benefits Assumptions**					
	County Tax Rate	1.823568	**$7,092**		Cost of Contruction Materials (50% of building cost)	$2,180,450		**Estimated Benefits Costs**		
	School Tax Rate	9.143616	**$35,560**		Mortgage Amt. - 80%	$5,600,000		Application Fee	$1,000	
	Other	0.000000						Est. IDA Counsel Fee	$20,000	
	Total Tax Rate	**11.751358**			**Proposed Tax Benefits**			Special Counsel Fee	$0	
					Mortgage Tax Benefit - 3/4% of mortgage amount	**$42,000**		IDA Fee ***	**$52,500**	
	Equalization Rate	100.0000			**7% Sales Tax Benefit** - cost of Construction Materials, Equipment, Fixtures & Furniture	**$257,632**				
	Assessment Estimates							**Est. Total Cost of Benefits**	**$73,500**	
	Estimated New Construction Assessment	***$3,250,000***			**Sales & Mortgage Tax Benefits**	**$299,632**				
	PILOT Land & Bldg.Assessment	***$639,100***						**Present Assessed Value of property** (Land Only)	$271,500	
	Estimated Total Assessment	***$3,889,100***								
								Present Annual Taxes (Land Only)	***$0***	
	Annual Taxes without Incentive (Land & Building)	***$45,702***							**ESTIMATE**	

SEDC
Saratoga Economic Development Corporation

MANUFACTURING - 10 YEAR PILOT

YEAR	ESTIMATED TOTAL ASSESSMENT	FULL VALUE TAXES PAID	PILOT ASSESSMENT	PILOT PAYMENT	ESTIMATED TAX SAVINGS
1	$3,889,100	$45,702	$639,100	$7,510	$38,192
2	$3,889,100	$45,702	639,100	7,510	38,192
3	$3,889,100	$45,702	639,100	7,510	38,192
4	$3,889,100	$45,702	639,100	7,510	38,192
5	$3,889,100	$45,702	639,100	7,510	38,192
6	$3,889,100	$45,702	639,100	7,510	38,192
7	$3,889,100	$45,702	639,100	7,510	38,192
8	$3,889,100	$45,702	639,100	7,510	38,192
9	$3,889,100	$45,702	639,100	7,510	38,192
10	$3,889,100	$45,702	639,100	7,510	38,192
Totals	N/A	$457,022	N/A	$75,100	$381,922

Total Pilot Paid	$75,100	Mort. Rec. Tax	$42,000	**Total**
Total Abatement	$381,922	Sales Tax	$257,632	**Savings**
		Property Tax	$381,922	**$681,554**
		Application Fee	$1,000	
		Special Counsel Fee		**Total**
		IDA Counsel Fee	$20,000	**Costs**
		IDA Fee	$52,500	**$73,500**

Present Assessed Value of property ***(Land Only)***	$271,500
Present Annual Taxes ***(Land Only)***	$0

Bottom Line Savings **$608,054**

Saratoga Economic Development Corporation

ESTIMATE

	Rates	$1.823568	$0.784174	$9.143616	$0.000000	
	% Pmt	Cty PILOT	Local PILOT	School PILOT	Other	Total PILOT
	0%	$1,165	$501	$5,844	$0	$7,510
	0%	$1,165	$501	$5,844	$0	$7,510
	0%	$1,165	$501	$5,844	$0	$7,510
	0%	$1,165	$501	$5,844	$0	$7,510
	0%	$1,165	$501	$5,844	$0	$7,510
	0%	$1,165	$501	$5,844	$0	$7,510
	0%	$1,165	$501	$5,844	$0	$7,510
	0%	$1,165	$501	$5,844	$0	$7,510
	0%	$1,165	$501	$5,844	$0	$7,510
	0%	$1,165	$501	$5,844	$0	$7,510
		$11,654	$5,012	$58,437	$0	$75,103