

COUNTY OF SULLIVAN INDUSTRIAL DEVELOPMENT AGENCY
548 Broadway
Monticello, New York 12701
845-428-7575
APPLICATION FOR FINANCIAL ASSISTANCE

I. A. APPLICANT INFORMATION:

Company Name: Skyways, Ltd.
Address: 426 15th Street NW, Huron, SD 57350
Phone No.: (845) 988-0847
Telefax No.: (845) 545-6360
Email Address: J@JET60.COM
Fed Id. No.: 46-0438300
Contact Person: Jonathan Mende

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

Principal Owners (Shareholders/Members/Owners): Jonathan Mende (100%)

Directors/Managers: Jonathan Mende

Officers: Jonathan Mende

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

Jonathan Mende is the sole shareholder and holds all officer positions of the corporation.

Form of Entity:

Corporation (Sub-s)

Date of incorporation: 07/13/1995

State of incorporation: South Dakota

Partnership

General _____ or Limited _____

Number of general partners _____

If applicable, number of limited partners _____
Date of formation: _____
Jurisdiction formation: _____

_____ Limited Liability Company/Partnership (number of members _____)

Date of organization: _____
State of organization: _____

_____ Sole Proprietorship

If a foreign organization, is the Applicant authorized to do business in the State of New York? Yes No _____ N/A _____ (If so, please append Certificate of Authority.)

B. APPLICANT INFORMATION:

Company Name: Sullivan County International Airport Partners, LTD

Address: 334 Avenue of the Americas New Windsor, NY 12553

Phone No.: (845) 565-8530

Telefax No.: (845) 545-6360

Email Address: ryan137360@aol.com

Fed Id. No.: 84-5172066

Contact Person: Raymond D. Yannone, Jr.

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

Principal Owners (Shareholders/Members/Owners): Raymond D. Yannone, Jr. (100%)

Directors/Managers: Raymond D. Yannone, Jr.

Officers: Raymond D. Yannone, Jr.

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

Raymond D. Yannone, Jr. is the sole shareholder and holds all officer positions of the corporation.

Form of Entity:

Corporation (Sub-s)

Date of incorporation: 03/19/2020
State of incorporation: New York

 Partnership

General _____ or Limited _____
Number of general partners _____
If applicable, number of limited partners _____
Date of formation: _____
Jurisdiction formation: _____

 Limited Liability Company/Partnership (number of members _____)

Date of organization: _____
State of organization: _____

 Sole Proprietorship

If a foreign organization, is the Applicant authorized to do business in the State of New York? Yes No N/A X (If so, please append Certificate of Authority.)

APPLICANT'S COUNSEL

Name: Kevin Gagliano, Esq.

Address: 100 Stony Brook Court Newburgh, NY 12550

Phone No.: (845) 527-6427

Telefax No.: (845) 397-7517

Email Address: info@gaglianolaw.com

II. REQUESTED FINANCIAL ASSISTANCE

	<u>Estimated Value</u>
Real Property Tax Abatement (estimated)	\$ <u>TBD</u>
Mortgage Tax Exemption	\$ <u>15,000.00</u>
Sales and Use Tax Exemption	\$ <u>120,000.00</u>
Issuance by the Agency of Tax Exempt Bonds	\$ <u>N/A</u>

III. PROJECT INFORMATION

A.) Project Location:

Project Address: 57 County Road 183A
Tax Map Number(s): 18-1-16.1
Located in the Village of: N/A
Located in Town of Bethel
Located in the School District of Liberty
Located in Hamlet of N/A

(i) Are Utilities on Site?

Water/Sewer NO Electric YES
Gas NO Storm Sewer YES

(ii) Present legal owner of the site: County of Sullivan

If other than Applicant, by what means will the site be acquired for this Project:
Lease

(iii) Zoning of Project Site: Current: AD Proposed: AD

(iv) Are any variances needed: NO

(v) Principal Use of Project upon completion: Hangar for service and maintenance of aircraft.

B.) Will the Project result in the removal of a plant or facility of the Applicant or a proposed Project occupant from one area of the State of New York to another area of the State of New York? NO; If yes, please explain:

C.) Will the Project result in the abandonment of one or more Plants or facilities of the Applicant or a proposed Project occupant located in the State of New York? NO; If yes, please explain:

D.) If the answer to either question B or C above is yes, you are required to indicate whether any of the following apply to the Project:

1. Is the Project reasonably necessary to preserve the competitive position of the Applicant or such Project Occupant in its industry? Yes _____; No _____. If yes, please explain:

2. Is the Project reasonably necessary to discourage the Applicant or such Project Occupant from removing such other plant or facility to a location outside the State of New York? Yes _____; No _____. If yes, please explain:

E.) Will the Project include facilities or property that will be primarily used in making retail sales of goods or provide services to customers who personally visit such facilities? NO; If yes, please contact the Agency for additional information.

F.) Please provide a narrative of the Project and the purpose of the Project (new build, renovations, and/or all equipment purchases). Identify specific uses occurring within the Project. Describe any and all tenants and any/all end users. Describe the proposed acquisitions, construction or reconstruction and a description of the costs and expenditures expected. Attach additional sheets, if necessary.

SEE ATTACHED

G.) COSTS AND BENEFITS OF THE PROJECT

Costs = Financial Assistance

Estimated Sales Tax Exemption	\$ <u>120,000.00</u>
Estimated Mortgage Tax Exemption	\$ <u>15,000.00</u>
Estimated Property Tax Abatement	\$ <u>TBD</u>
Estimated Interest Savings IRB Issue	\$ <u>N/A</u>

Benefits= Economic Development

Jobs created	\$ <u>TBD</u>
Jobs retained	\$ <u>TBD</u>
Private funds invested	\$ <u>1,854,810.00</u>
Other Benefits	\$ <u>TBD</u>

Estimate how many construction/permanent jobs will be created or retained as a result of this Project:

Construction:	22 jobs totalling \$170,000
Permanent:	8 jobs totalling \$426,400 per year
Retained (at current facility):	<u>0</u>

Project Costs (Estimates)	
Land and Existing Buildings	\$ <u>1,671,248.00</u>
Soft Costs (5%)	\$ <u>83,562.00</u>
Other	\$ <u>100,000.00</u> (Equipment)
Total	\$ <u>1,854,810.00</u>

In addition to the above estimated capital costs of the project, which must include all costs of real property and equipment acquisition and building construction or reconstruction, you must include details on the amounts to be financed from private sector sources, an estimate of the percentage of project costs financed from public sector sources and an estimate of both the amount to be invested by the Applicant and the amount to be borrowed to finance the Project.

Approximately \$1.5 million of the project costs will be financed privately by a local lender the remainder (\$354,810.00) will be invested by the Applicant(s)

In addition to the job figures provided above, please indicate the following:

- 1) The projected number of full time equivalent jobs that would be retained and that would be created if the request for financial assistance is granted.

Eight full time equivalent jobs will be created once the hangar is completed.

- 2) The projected timeframe for the creation of new jobs.

Construction jobs will be created within 90-210 days; Permanent jobs will be created within 210-240.

- 3) The estimated salary and fringe benefit averages or ranges for categories of the jobs that would be retained or created if the request for financial assistance is granted.

The job categories and salaries are as follows: (2) Admin/Shop at \$41,600 per year; (4) Mechanic at \$78,000 per year; (2) Management at \$93,600 per year

- 4) An estimate of the number of residents of the economic development region as established pursuant to section two hundred thirty of the Economic Development Law, in which the project is located that would fill such jobs. The

labor market area defined by the agency (Mid-Hudson Economic Development Region)

1,433,386 -- 2015 U.S. Census estimate of Mid Hudson Region population aged 18-64

H.) State whether there is a likelihood that the project would not be undertaken but for the financial assistance provided by the Agency, or, if the project could be undertaken without financial assistance provided by the Agency, a statement indicating why the project should be undertaken by the Agency The project would not be undertaken but for the financial assistance provided by the agency because the property taxes would make the project economically unfeasible.

IV. REPRESENTATIONS BY THE APPLICANT


The Applicant understands and agrees with the Agency as follows:

- A) Job Listings. In accordance with Section 858-b (2) of the New York General Municipal Law, the Applicant understands and agrees that, if the 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.
- D) Annual 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, on an annual basis, reports regarding the number of people employed at the project site.

- E.) Absence of Conflicts of Interest. The Applicant has received from the Agency a list of the members, officers, and employees of the Agency. No member, officers or employee of the Agency has an interest, whether direct or indirect, in any transaction contemplated by this Application, except as hereinafter described.
- F.) The Applicant represents that the provisions of Section 862(1) of the New York General Municipal Law, as provided below, will not be violated if Financial Assistance is provided for the proposed Project:
- § 862. Restrictions on funds of the agency. (1) No funds of the agency shall be used in respect of any project if the completion thereof would result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state, provided, however, that neither restriction shall apply if the agency shall determine on the basis of the application before it that the project is reasonably necessary to discourage the project occupant from removing such other plant or facility to a location outside the state or is reasonably necessary to preserve the competitive position of the project occupant in its respective industry.
- G.) The Applicant confirms and acknowledges that the owner, occupant, or operator receiving Financial Assistance for the proposed Project is in substantial compliance with applicable local, state and federal tax, worker protection and environmental laws, rules and regulations.
- H.) The Applicant confirms and acknowledges that the submission of any knowingly false or knowingly misleading information may lead to the immediate termination of any Financial Assistance and the reimbursement of an amount equal to all or part of any tax exemption claimed by reason of the Agency's involvement the Project.
- I.) 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.

The Applicant and the individual executing this Application on behalf of the Applicant acknowledge that the Agency will rely on the representations made herein when acting on this Application and hereby represent 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.

Skyways, Ltd.


By: Jonathan Mende, CEO

Date: 9/1/20

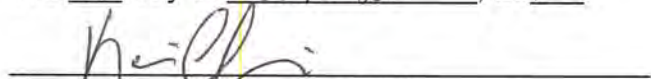
STATE OF NEW YORK)
COUNTY OF SULLIVAN) ss.:

Jonathan Mende, being first duly sworn, deposes and says:

1. That I am the CEO of Skyways, Ltd. (collectively, the, "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.


Jonathan Mende

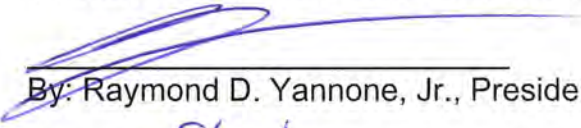
Subscribed and affirmed to me under penalties of perjury
this 3RD day of SEPTEMBER, 2020.


(Notary Public)

KEVIN GAGLIANO, NOTARY PUBLIC
ID: DL GA 6289776
QUALIFIED IN ORANGE COUNTY
MY COMMISSION EXPIRES: 01/05/2022

The Applicant and the individual executing this Application on behalf of the Applicant acknowledge that the Agency will rely on the representations made herein when acting on this Application and hereby represent 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.

Sullivan County International Airport Partners, LTD

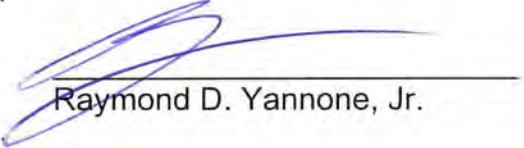

By: Raymond D. Yannone, Jr., President

Date: 8/31/20

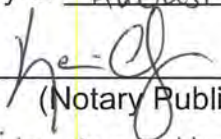
STATE OF NEW YORK)
COUNTY OF SULLIVAN) ss.:

Raymond D. Yannone, Jr., being first duly sworn, deposes and says:

1. That I am the President of Sullivan County International Airport Partners, LTD (collectively, the, "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.


Raymond D. Yannone, Jr.

Subscribed and affirmed to me under penalties of perjury
this 31ST day of AUGUST, 2020.


(Notary Public)

KEVIN GAGLIANO, NOTARY PUBLIC
ID: 01GA6289776
QUALIFIED IN ORANGE COUNTY
MY COMMISSION EXPIRES: 01/05/2022

THIS APPLICATION SHALL BE SUBMITTED WITH (I) TWO CHECKS: ONE COVERING A \$250.00 APPLICATION FEE AND THE SECOND COVERING A \$5,000.00 UP-FRONT ESCROW DEPOSIT; AND (II) APPLICANT'S FORMATION DOCUMENTS (IE: IF A CORPORATION: ITS CERTIFICATE OF INCORPORATION AND BYLAWS; IF A LIMITED LIABILITY COMPANY: ITS ARTICLES OF ORGANIZATION AND OPERATING AGREEMENT; IF A LIMITED PARTNERSHIP: ITS CERTIFICATE OF LIMITED PARTNERSHIP AND LIMITED PARTNERSHIP AGREEMENT; OR IF A PARTNERSHIP: ITS PARTNERSHIP AGREEMENT TO:

**COUNTY OF SULLIVAN INDUSTRIAL DEVELOPMENT AGENCY
Executive Director
548 BROADWAY
MONTICELLO, NEW YORK 12701**

HOLD HARMLESS AGREEMENT

Applicant hereby releases the COUNTY OF SULLIVAN INDUSTRIAL DEVELOPMENT AGENCY and the members, officers, servants, agents and employees thereof ("Agency") from, agrees that the Agency shall not be liable for and agrees to indemnify, defend and hold the Agency harmless from and against any and all liability arising from or expense incurred by (A) the Agency's examination and processing of, and action pursuant to or upon, the attached Application, regardless of whether or not the Application or the Project described therein or the tax exemptions and other assistance requested therein are favorably acted upon by the Agency, (B) the Agency's acquisition, construction and/or installation of the Project described therein and (C) any further action taken by the Agency with respect to the Project; including without limiting the generality of the foregoing, all causes of action and attorneys' fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. If, for any reason, the Applicant fails to conclude or consummate necessary negotiations, or fails, within a reasonable or specified period of time, to take reasonable, proper or requested action, or withdraws, abandons, cancels or neglects the Application, or if the Agency or the Applicant are unable to reach final agreement with the respect to the Project, then, and in the event, upon presentation of an invoice itemizing the same, the Applicant shall pay to the Agency, its agents or assigns, all costs incurred by the Agency in the processing of the Application, including attorneys' fees, if any.

Skyways, Ltd.


By: Jonathan Mende, CEO

Date: 9/3/20

Sworn to before me this
3RD day of SEPTEMBER, 2020.


Notary Public

KEVIN CALLIANO, NOTARY PUBLIC
ID: 01 GA 6289776
QUALIFIED IN ORANGE COUNTY
MY COMMISSION EXPIRES: 01/05/2022

HOLD HARMLESS AGREEMENT

Applicant hereby releases the COUNTY OF SULLIVAN INDUSTRIAL DEVELOPMENT AGENCY and the members, officers, servants, agents and employees thereof ("Agency") from, agrees that the Agency shall not be liable for and agrees to indemnify, defend and hold the Agency harmless from and against any and all liability arising from or expense incurred by (A) the Agency's examination and processing of, and action pursuant to or upon, the attached Application, regardless of whether or not the Application or the Project described therein or the tax exemptions and other assistance requested therein are favorably acted upon by the Agency, (B) the Agency's acquisition, construction and/or installation of the Project described therein and (C) any further action taken by the Agency with respect to the Project; including without limiting the generality of the foregoing, all causes of action and attorneys' fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. If, for any reason, the Applicant fails to conclude or consummate necessary negotiations, or fails, within a reasonable or specified period of time, to take reasonable, proper or requested action, or withdraws, abandons, cancels or neglects the Application, or if the Agency or the Applicant are unable to reach final agreement with the respect to the Project, then, and in the event, upon presentation of an invoice itemizing the same, the Applicant shall pay to the Agency, its agents or assigns, all costs incurred by the Agency in the processing of the Application, including attorneys' fees, if any.

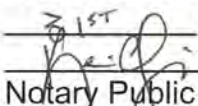
Sullivan County International Airport Partners, LTD


By: Raymond D. Yannone, Jr.

Date: 8/31/20

(

Sworn to before me this
31ST day of AUGUST, 2020.


Notary Public

KEVIN GAGLIANO, NOTARY PUBLIC
ID: 01GA6289710
QUALIFIED IN ORANGE COUNTY
MY COMMISSION EXPIRES: 01/05/2024

III. PROJECT INFORMATION

F. Skyways Ltd. (Applicant, hereinafter "Skyways") will be leasing an aircraft hangar from Sullivan County International Airport Partners, LTD (Co-Applicant, hereinafter "Airport Partners"). Airport Partners will be developing and building the approximately 12,000 sq. ft. hangar on an 18,000 sq. ft. parcel owned by the County of Sullivan at Sullivan County Airport. The parcel is and will continue to be County-owned, the County leases the parcel to Airport Partners, and Airport Partners will sublease to Skyways.

Skyways currently has a location in Morristown, NJ. Their lease in Morristown is expiring and they will move from that site to Sullivan County. Skyways will operate in Sullivan County from the hangar to be built under the proposed project and will lease from Airport Partners.

Skyways, Ltd.

Skyways is a full service aircraft management, maintenance and charter company. They lease and operate a fleet of Lear 60 aircraft under their brand "Jet 60". Skyways has their own maintenance facilities and parts inventories for these particular aircraft and plan to duplicate this business model for other profitable aircraft types in the future.

Skyways' maintenance operation services its chartered and managed fleets and outside aircraft at hangars in Huron, SD (HON) and Morristown, NJ (MMU). Skyways currently has an overwhelming demand for both hangar space and maintenance services. The services offered by Skyways include: scheduled and unscheduled maintenance services, avionics, cabin entertainment and wheel and brake overhaul. Skyways is certified by Meggitt and Goodyear as a wheel and brake facility.

Jonathan Mende, CEO of Skyways, has been in the aviation industry for over twenty years and an entrepreneur for over thirty years. Jonathan has extensive relationships in the aviation industry and has worked with Gulfstream Aerospace, Bombardier, Cessna, Pratt & Whitney, Duncan Aviation, West Star, Spirit Aeronautics, Constant Aviation, Flight Options, Net Jets and Delta Private Jets where he served as Vice President of Aircraft Acquisitions.

Sullivan County International Airport Partners, LTD

Airport Partners is a developer and builder with decades of experience under President, Raymond Yannone, Jr. Raymond has completed dozens of multi-million dollar projects throughout the Hudson Valley and has successful working relationships with site developers specializing in aircraft hangars such as the one being proposed under this project.

Jobs Created by the Project

Skyways' operation will bring at least eight permanent jobs to Sullivan County upon commencement, bringing skilled employees and aircraft traffic to the region. Jonathan's personal relationships in the aircraft industry will be an asset to Sullivan County and will likely attract additional development and activity in the aviation industry for the region. Additionally, Jonathan anticipates an expansion of Skyways' operations in Sullivan County, possibly creating a total of thirty permanent jobs in the future. Skyways could be a major catalyst in the development of the Sullivan County Airport and Sullivan County, by extension.

Airport Partners will create twenty-two construction jobs during the build-out of the proposed hangar. Airport Partners will build a top-quality hangar that will be an asset to the Sullivan County Airport and Sullivan County. Construction will be completed quickly, competently and with unmatched attention to detail. Upon successful completion of this project, Airport Partners has plans to build two more hangars at Sullivan County Airport which would bring additional construction jobs to the area.