

Commercial/Industrial Park Abatement Program

Purpose.

This program is designed to encourage owners of land zoned for commercial or industrial uses to invest in roads and infrastructure without a concern about additional real estate taxes becoming a burdensome carrying cost while the commercial or industrial park land or lots are being marketed to end users.

Tax Abatements.

Sales.

Sales tax abatements are provided in connection with all taxable items purchased or leased in connection with the development of the qualifying commercial or industrial park. The Agency's sales tax reporting protocols shall apply to all such expenditures. The abatement is subject to the Agency's one (1%) percent sales tax abatement fee.

Mortgage:

All mortgage recording taxes ("MRT") on real estate mortgages securing loans for development of qualifying industrial parks shall be abated. The abatement is subject to the Agency's MRT abatement fee of the greater of one-tenth (1/10%) percent of the original principal amount of the debt secured or Five Thousand and 00/100 (\$5,000.00) Dollars.

Real Estate:

Real estate taxes on the increased value of the land following installation of roads and infrastructure shall be abated at one hundred (100%) percent for a period not to exceed ten (10) years. All projects relying on this program shall enter into a Master Development and Agency Agreement ("MDAA"). The MDAA shall provide that when a part of the commercial or industrial park is sold, leased or a building permit related thereto is issued, the land or lot subject to the sale, lease or permit shall no longer qualify for real estate tax abatement under this program.

Employment Goals.

There are no minimum employment goals associated with this program.

Location Restriction.

This program is limited to projects undertaken on land with zoning that allows commercial or industrial uses and shall be applicable to only the Towns of Liberty, Thompson and Mamakating, along Interstate Route 86 and the Towns of Fallsburg and Bethel, where commercial or industrial parks are located.

Benefits to Future User of Commercial/Industrial Park Land or Lots.

It is anticipated that persons or entities purchasing or leasing land (or the owner constructing improvements) will apply for tax abatements on projects to be constructed on the improved commercial or industrial park land. At the time of adoption of this policy, such future abatements shall receive financial assistance under the Agency's General Abatement Program unless 1) the proposed use qualifies for abatements under the Agency's Manufacturing or other

applicable Abatement Program or 2) the proposed project seeks and is granted a deviation from the Agency's General Abatement Program.