



APPLICATION FOR ASSISTANCE

Each applicant seeking assistance must complete this application and provide required supplemental forms/documentation.

Please answer all questions. Use "None" or "Not Applicable" where necessary. Information in this application may be subject to public review under New York State Law, except for information that is considered deniable by the Freedom of Information Law. This form is available at www.monroecountybusiness.org/application.

Please send completed application via email to EconomicDevelopment@monroecounty.gov. A non-refundable application fee of \$350.00 is required. Please see page 10 for additional information on costs and fees.

I. APPLICANT

A. Applicant Information

Name: FabExchange, Inc.
 Address: 4040 Clipper Ct
 City/State/Zip: Fremont CA 94538
 Tax Id No.: 77-0527877
 Contact Name: Marina Burch
 Title: Staff Accountant
 Telephone: 408.855.4158
 E-Mail: marina.burch@fabexchange.com

B. Applicant's Legal Counsel

Name: David Cherna
 Firm: Sills Cummis & Gross
 Address: 101 Park Ave, 28th Floor
 City/State/Zip: New York, NY 10178
 Telephone: 212-643-7000
 Email: dchern@silscummis.com

C. Owners of Applicant Company (must total 100%). If an LLC, LP or similar, all members/partners must be listed

Name	%	Corporate Title
<u>Sal Shafi</u>	<u>66.6%</u>	<u>President</u>
<u>Ali Shafi</u>	<u>33.3%</u>	<u>Managing Partner</u>
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II. PROJECT

A. Address of proposed project facility
1964 Lake Ave
Rochester NY 14615
 Tax Map Parcel Number: 075.84-1-1.002
 City/Town/Village: Rochester
 School District: Rochester City School District
 Current Legal Owner of Property:
FabExchange, Inc.

C. Owners of User/Tenant Company (must total 100%)
 If an LLC, LP or similar, all members/partners must be listed

Name	%	Corporate Title
<u>SUNY POLY</u>	<u>100</u>	
<u> </u>	<u> </u>	<u> </u>
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B. Proposed User(s)/Tenant(s) of the Facility
 If there are multiple Users/Tenants, please attach additional pages.
 Are the user and owner related entities? Yes No
 Company Name: AIM Photonics
 Address: 1964 Lake Ave
 City/State/Zip: Rochester, NY 14615
 Tax ID No:
 Contact Name: Ed White
 Title: Director
 Telephone: 518-437-8863
 Email: ewhite@sunypoly.edu
 % of facility to be occupied by user/tenant 35%

D. Benefits Requested (Check all that apply)

- Sales Tax Exemption
- Mortgage Recording Tax Exemption
- Real Property Tax Abatement
- Industrial Revenue Bond Financing

E. Description of project (check all that apply)

- New Construction
- Existing Facility
 - Acquisition
 - Expansion
 - Renovation/Modernization
- Acquisition of machinery/equipment
- Other (specify) Re tooling and materials removal

DESCRIPTION OF THE PROJECT AND BACKGROUND ON USER(S) OF THE FACILITY

NAICS Code: 334413

Project Summary
 With the increasing demands of rapid technology development and deployment higher bandwidth and faster data stream the High-Tech world is focusing all energy as light energy, meaning the age of the Photon is truly here. The DoD as well as the private sector is anxiously awaiting the manufacturing and development of Silicon Photonics (SiPh) enabled products such as MOEMS (Micro Optical Electro Mechanical Systems) and MEMS (Micro Electro Mechanical Systems) based devices that can help enable process information at the light of speed versus the speed of the electron.

Fab Exchange will renovate 18,000 square feet of class 100 clean room space to remove the legacy and non functional tools and prepare the space for a new 200 mm semiconductor operation. There is an additional 45,000 sq feet of space that FabExchange is considering for renovation and remodeling for new Hi Tech opportunities. FabExchange is looking to build and prepare an open cleanroom space to attract a unique supply chain network for the collaboration, development, test and manufacturing of semiconductor based technologies such as MEMS filters, optical gyroscopes, etc.

II. PROJECT (cont'd)

F. Are other facilities or related companies located within New York State?

Yes No

Location:

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 No

Will the Project result in the abandonment of one or more plants or facilities of the Project occupant located within the state?

Yes No

If Yes to either question, explain how the Agency's Financial Assistance is required to prevent the Project from relocating out of the State, or is reasonably necessary to preserve the Applicant or User's competitive position in its respective industry:

G. Would the project be undertaken without financial assistance from the Agency?

Yes No

Please explain why financial assistance is necessary.

Sales tax and some of the additional expenditures drive towards prohibitive costs in renovating an 1959 structure for creating an open plan thats accepting of state of the art technology and tooling.

H. Project Timeline

Proposed Date of Acquisition: 12/15/2020

Proposed Commencement Date of Construction: 2/1/21

Anticipated Completion Date: 2/5/22

I. Contractor(s)

Boulter, OConnell, Crosley, Westerwood Global, Beta Squared

J. State Environmental Quality Review (SEQR) Act Compliance

COMIDA, in granting assistance to the Applicant, is required to comply with the New York State Environmental Quality Review Act (SEQR).

Does the proposed project require discretionary permit, license or other type of approval by the state or local municipality?

YES - Include a copy of any SEQR documents related to this Project including Environmental Assessment Form, Final Determination, Local Municipality Negative Declaration, etc.

NO

III. PROPERTY TAX ABATEMENT/PAYMENT IN LIEU OF TAX AGREEMENT (PILOT)

Check One:

JOBSPLUS

Requirements:

- Applicant must commit to a 10% increase in full-time equivalent employment, measured on the existing impacted employee base, over a 3 year period. The required number of jobs is _____.

LEASEPLUS

Requirements:

- University and/or medical related facilities in which a 501(c)3 entity leases from a for-profit entity.
- Company must commit to a 10% increase in full-time equivalent employment, measured on the existing impacted employee base, over a 3 year period. The required number of jobs is _____.

ENHANCED JOBSPLUS

Requirements:

- A minimum \$15 million investment **AND**
- A minimum of 100 new jobs

GREEN JOBSPLUS

Requirements:

- LEED® Certification – Project must be rated as Certified, Gold, Silver or Platinum by the United States Green Building Council's Leadership in Energy and Environmental Design (LEED®) Green Building Rating System.
- Company must commit to a 10% increase in full-time equivalent employment, measured on the existing impacted employee base, over a 3 year period. The required number of jobs is _____.

SHELTER RENT

For student housing or affordable housing projects.

Local Tax Jurisdiction Sponsored PILOT

NO PROPERTY TAX ABATEMENT IS SOUGHT FOR THIS PROJECT

IV. APPLICANT PROJECT COSTS

A. Estimate the costs necessary for the construction, acquisition, rehabilitation, improvement and/or equipment of the project by the APPLICANT.

Building Construction or Renovation

- a. Materials a. \$ 275,000.00
- b. Labor b. \$ 250,000.00

Site Work

- c. Materials c. \$ 500,000.00
- d. Labor d. \$ 995,450.00
- e. Non-Manufacturing Equipment e. \$ _____
- f. Manufacturing Equipment f. \$ _____
- g. Equipment Furniture and Fixtures g. \$ _____
- h. Land and/or Building Purchase h. \$ _____
- i. Soft Costs (Legal, Architect, Engineering) i. \$ _____

- Other (specify) j. _____ j. \$ _____
- k. _____ k. \$ _____
 - l. _____ l. \$ _____
 - m. _____ m. \$ _____

Total Project Costs \$ 2,020,450.00
(must equal Total Sources)

B. Sources of Funds for Project Costs:

- a. Tax-Exempt Industrial Revenue Bond a. \$ _____
- b. Taxable Industrial Revenue Bond b. \$ _____
- c. Bank Financing d. \$ _____
- d. Public Sources e. \$ _____

Identify each state and federal grant/credit

- _____ \$ _____
- _____ \$ _____
- _____ \$ _____
- _____ \$ _____

e. Equity \$ 2,020,450.00
TOTAL SOURCES \$ 2,020,450.00
(must equal Total Project Costs)

C. Has the applicant made any arrangements for the financing of this project

- Yes No

If yes, please specify bank, underwriter, etc.

V. COMPLETE FOR EACH USER/TENANT THAT IS SEEKING SALES TAX EXEMPTIONS USER(S)/TENANT(S) PROJECT COSTS

Use additional sheets as necessary

Company Name _____

A. Estimate the costs necessary for the construction, acquisition, rehabilitation, improvement, and/or equipping of the project by the user(s)/tenant(s) from which a sales tax exemption is requested.

Estimated Costs Eligible for Sales Tax Exemption Benefit

- a. Materials a. \$ _____
- b. Labor b. \$ _____
- c. Non-Manufacturing Equipment c. \$ _____
- d. Manufacturing Equipment d. \$ _____
- d. Furniture and Fixtures d. \$ _____

- Other (specify): e. _____ e. \$ _____
- f. _____ f. \$ _____
 - g. _____ g. \$ _____
 - h. _____ h. \$ _____

Total Project Costs \$ 0.00

VI. Value of Incentives

Project name: FabExchange, Inc.

A. IDA PILOT Benefits:

Current Land Assessment	Taxes on Land	0
Dollar Value of New Construction & Renovation Costs		
Estimated New Assessed Value of Project Subject to IDA	0	

County Tax rate/\$1,000	
Local Tax Rate* Tax Rate/\$1,000	
School Tax Rate /\$1,000	
Total Tax Rate	0.00

PILOT Year	% Abatement	County PILOT Amount	Local PILOT Amount	School PILOT Amount	Total PILOT Amount	Full Tax Payment w/o PILOT	Net Exemption
1	90%	0	0	0	0	0	0
2	80%	0	0	0	0	0	0
3	70%	0	0	0	0	0	0
4	60%	0	0	0	0	0	0
5	50%	0	0	0	0	0	0
6	40%	0	0	0	0	0	0
7	30%	0	0	0	0	0	0
8	20%	0	0	0	0	0	0
9	10%	0	0	0	0	0	0
10	0%	0	0	0	0	0	0
Total		0	0	0	0	0	0

* Local Tax Rate for Town/City/Village

B. Sales Tax Exemption Benefit:

Estimated value of Sales Tax exemption:	62,000
Estimated duration of Sales Tax exemption:	6/30/2022

C. Mortgage Recording Tax Exemption Benefit:

Estimated Value of Mortgage Recording Tax exemption:	\$0
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D. Industrial Revenue Bond Benefit

IRB inducement amount, if required:	\$0
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E. Percentage of Project Costs financed from Public Sector sources:

Total Value of Incentives:	\$62,000.00	3.07%
Sources of Funds (Section IV.B.)	\$2,020,450.00	

** All estimates are based on current tax rates.

VII. PROJECTED EMPLOYMENT

Complete for each Applicant or User/Tenant

Company Name: FabExchange, Inc.

Applicant: or User/Tenant:

Applicant/Tenant creating jobs must submit most recent NYS-45 or equivalent.

	Current # of jobs at proposed project location or to be relocated to project location	IF FINANCIAL ASSISTANCE IS GRANTED – project the number of FTE and PTE jobs to be RETAINED	IF FINANCIAL ASSISTANCE IS GRANTED – project the number of FTE and PTE jobs to be CREATED upon THREE Years after Project completion	Estimate number of residents of the Labor Market Area in which the Project is located that will fill the FTE and PTE jobs to be created upon THREE Years after Project Completion **
Full time (FTE)	28	28	7	7
Part Time (PTE)	1	1	0	0
Total	28.50	28.50	7.00	7.00

** For purposes of this question, please estimate the number of FTE and PTE jobs that will be filled, as indicated in the third column, by residents of the Labor Marker Area, in the fourth column. The Labor Marker Area includes: Monroe County, Orleans County, Genesee County, Wyoming County, Livingston County, Ontario County, Wayne County, Yates County, and Seneca County chosen at the Agency's discretion.

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VIII. LOCAL LABOR

To be completed by all Applicants and Users/Tenants of Projects which include the construction of new, expanded or renovated facilities:

Company Name FabExchange, Inc.

Applicant: and/or User/Tenant:

All project employees of the general contractor, subcontractor, or sub to a subcontractor (contractors) working on the project must reside within the following counties in the State of New York: Monroe, Genesee, Livingston, Ontario, Orleans, Seneca, Steuben, Wayne, Wyoming or Yates. The All-Local Labor criterion will be verified based on employment, payroll and related records.

COMIDA understands that at certain times local labor may not be available within the local area. Under this condition, applicants are required to complete a waiver request of the All-Local Labor requirement 45 days in advance of commencing work. Contractors do not have to be local companies as defined herein, but must employ local people to qualify under the All-Local Labor criterion.

The foregoing terms have been read, reviewed and understood by the Applicant or User/Tenant and all appropriate personnel. Furthermore, the undersigned agrees and understands that the information contained herein must be transmitted and conveyed in a timely fashion to all applicable subcontractors, suppliers and materialman. Furthermore, the undersigned agrees to post and maintain a sign, provided by COMIDA, in a prominent, easily accessible location, identifying the project as a recipient of COMIDA assistance and the local labor requirements associated with this assistance.

Furthermore, the undersigned realizes that failure to abide by the terms herein could result in COMIDA revoking all or any portion of benefits it deems reasonable in its sole discretion for any violation hereof.

FabExchange, Inc.

(APPLICANT COMPANY)

(TENANT COMPANY)

Ali Shafi
Digitally signed by Ali SHAFI
Date: 2021.02.09 15:18:24 -08'00'

Signature, Title, Date

Signature, Title, Date

IX. FEES

Transaction Type	Fees
Lease/Leaseback including any/all of the following: 1. PILOT Agreement 2. Sales and Tax Exemption 3. Mortgage Tax Exemption	Application Fee: Non-refundable \$350.00 IDA Fee: 0.75% of the total project cost Legal Fee: 0.33% of the IDA fee. Minimum fee of \$4,000.
Sales Tax Exemption* and/or Mortgage Recording Tax Exemption	Application Fee: Non-refundable \$350.00 IDA Fee: 0.50% of the total project cost Legal Fee: 0.33% of the IDA fee. Minimum fee of \$750
Bond: Taxable or Tax-Exempt with Lease/Leaseback Including any/all of the following: 1. PILOT Agreement 2. Sales Tax Exemption 3. Mortgage Tax Exemption	Application fee: Non-refundable \$350 IDA Fee: 1.25% of the total project cost Legal Fee: 0.33% of IDA fee Designated Bond Counsel fee is based on the complexity and amount of the transaction
Bond: Taxable or Tax-Exempt	Application fee: Non-refundable \$350 IDA Fee: 1.00% of the total project cost Legal fee: 0.33% of the IDA fee Designated Bond Counsel fee is based on the complexity and amount of the transaction.

If the sales tax benefits are required prior to closing, a non-refundable twenty-five percent (25%) of the IDA fee and Legal fees are payable at that time. This amount will be applied towards the IDA fee and Legal fee.

FabExchange, Inc.

(APPLICANT COMPANY)

(TENANT COMPANY)

Ali Shafi
Digitally signed by Ali SHAFI
Date: 2021.02.09 15:18:39 -08'00'

Signature, Title, Date

Signature, Title, Date

X. CERTIFICATION

The undersigned company officer and/or user/tenant officer each hereby certifies, on behalf of the company and/or user/tenant, respectively (each singularly and together, the "Applicant"), as follows:

- A. The information contained in this Application, including employment information, is true and correct. The Applicant is aware that any material misrepresentation made in this Application constitutes an act of fraud, resulting in revocation of COMIDA benefits.
- B. The undersigned, on behalf of the Applicant, hereby certifies that the Applicant, and all parties which have ownership of the Applicant are current and will remain current on all real property, federal, state, sales, income and withholding taxes throughout the term of any agreements made in connection with this Application.
- C. Compliance with N.Y. GML Sec. 862(1): Applicant understands and agrees that the provisions of Section 862(1) of the New York General Municipal Law, as provided below, will not be violated if Financial Assistance is provided for the proposed Project:
 § 862. Restrictions on funds of the agency. (1) No funds of the agency shall be used in respect of any project if the completion thereof would result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state, provided, however, that neither restriction shall apply if the agency shall determine on the basis of the application before it that the project is reasonably necessary to discourage the project occupant from removing such other plant or facility to a location outside the state or is reasonably necessary to preserve the competitive position of the project occupant in its respective industry.
- D. Compliance with Applicable Laws: The Applicant confirms and acknowledges that the owner, occupant, or operator receiving Financial Assistance for the proposed Project is in substantial compliance with applicable local, state and federal tax, worker protection and environmental laws, rules and regulations.
- E. False and Misleading Information: The Applicant confirms and acknowledges that the submission of any knowingly false or knowingly misleading information may lead to the immediate termination of any Financial Assistance and the reimbursement of an amount equal to all or part of any tax exemption claimed by reason of the Agency's involvement the Project.
- F. Recapture: Should the Applicant not expend as projected or hire as presented, the Agency may view such information/status as failing to meet the established standards of economic performance. In such events, some or all of the benefits taken by the Applicant will be subject to recapture.
- G. Pay Equity: The Applicant and/or user/tenant officer certifies on behalf of the company and/or user/tenant (the Applicant) has not been the subject of an adverse finding under the equal pay laws within the previous five years, has disclosed any pending equal pay claims against the company at time of application, and shall disclose to COMIDA any pending claims or adverse findings under the equal pay laws during the term of COMIDA financial assistance agreement.
- H. Applicant hereby releases the COMIDA ("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, this Application, regardless of whether or not this Application or the Project described herein or the tax exemptions and other assistance requested herein are favorably acted upon by the Agency; (B) the Agency's acquisition, construction, renovation and/or equipping of the Project described herein; 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. Applicant hereby understands and agrees, in accordance with Section 875(3) of the New York General Municipal Law, that any New York State and local sales and use tax exemption claimed by the Applicant and approved by the Agency in connection with the Project may be subject to recapture by the Agency under such terms and conditions as will be set forth in the Agent Agreement 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 New York State and local sales and use tax exemption benefits, is true, accurate and complete.

APPLICANT COMPANY

FabExchange, Inc.

Digitally signed by Ali SHAFI
 Date: 2021.02.09
 11:53:42 -08'00'
 Ali Shafi

Signature, Title, Date

TENANT COMPANY

Signature, Title, Date

Project Summary

With the increasing demands of rapid technology development and deployment higher bandwidth and faster data stream the High-Tech world is focusing all energy as light energy, meaning the age of the Photon is truly here. The DoD as well as the private sector is anxiously awaiting the manufacturing and development of Silicon Photonics (SiPh) enabled products such as MOEMS (Micro Optical Electro Mechanical Systems) and MEMS (Micro Electro Mechanical Systems) based devices that can help enable process information at the light of speed versus the speed of the electron.

Fab Exchange will renovate 18,000 square feet of class 100 clean room space to remove the legacy and non functional tools and prepare the space for a new 200 mm semiconductor operation. There is an additional 45,000 sq feet of space that FabExchange is considering for renovation and remodeling for new Hi Tech opportunities. FabExchange is looking to build and prepare an open cleanroom space to attract a unique supply chain network for the collaboration, development, test and manufacturing of semiconductor based technologies such as MEMS filters, optical gyroscopes and SiPh devices and components that can support silicon Photonics. These products will be in direct alignment with the mission of AIM Photonics Institute and will hold broad appeal for both the department of defense as well as commercial infrastructure of the Telecomm markets.

The present market conditions are such that the key attributes of the necessary supply chain for such devices are scattered across the globe with no centralized development/ collaboration space. Fab Exchange is proposing to develop a single site conduit for infrastructure leveraged partnerships, organic growth and acquisition, to provide fast action modular standardization methodology; this process ideology enables the fastest possible path towards a stable production processes without compromising the ability to offer continuous innovations in new MEMS and MOEMS manufacturing capabilities. A resource such as this will lead the supply chain for pathfinding new device technology in the SiPh space with a goal to "reimport" jobs and Technology to the US and specifically Rochester. Fab Exchange will leverage the technical prowess and financial strength of industry leaders but be a nimble platform to create the necessary single site network for the rapidly developing market. The project proposes to develop the site in such a manner that design tool kits can be utilized around complete device fabrication by leveraging a critical set of unit process tools that are uniquely poised for advancing MEMS, MOEMS and SiPh.

Fab Exchange has acquired the ON Semiconductor facility at 1964 Lake Ave in Rochester with complete wafer processing fab and anticipates spending an additional \$2.0 M with investment and operating costs to attract a new owner operator of the Fab infrastructure. These costs will be used for cleanroom walls and ventilation and electrical work. Additionally Fab Exchange will work to lease the additional unused space in the building to attract new Hi Tech businesses.