

**TIOGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY**

**APPLICATION FOR FINANCIAL ASSISTANCE**

**PLEASE NOTE:** PRIOR TO SUBMITTING A COMPLETED FINAL APPLICATION AND EAF, PLEASE ARRANGE TO MEET WITH THE AGENCY'S STAFF TO REVIEW YOUR DRAFT APPLICATION AND EAF

Date: 9/25/15

APPLICATION OF: Tioga Downs Racetrack, LLC  
APPLICANT NAME

(Same)  
OWNERSHIP OF PROPOSED PROJECT  
(APPLICANT OR OTHER OWNER)

Type of Application:

- |  |   |
|--|---|
| <input type="checkbox"/> Tax-Exempt Bonds                  | <input type="checkbox"/> Taxable Bonds  |
| <input type="checkbox"/> Both Taxable and Tax-Exempt Bonds | <input checked="" type="checkbox"/> Sale/Leaseback<br><input type="checkbox"/> Bank Financing |
| <input type="checkbox"/> Refunding                         | <input type="checkbox"/> Amendment  |
| <input type="checkbox"/> Second Mortgage                   | <input type="checkbox"/> Transfer   |

Type of Project:

- |   |   |
|---|---|
| <input type="checkbox"/> Industrial/Manufacturing                         | <input type="checkbox"/> Warehousing  |
| <input type="checkbox"/> Commercial/Office                                | <input type="checkbox"/> Pollution Control/<br>(indicate type) _____  |
| <input type="checkbox"/> Not-for-Profit/Civic<br>(Specify) _____<br>_____ | <input type="checkbox"/> Energy or Cogeneration Facility  |
| <input checked="" type="checkbox"/> Commercial/Retail                     | <input checked="" type="checkbox"/> Other (specify)<br><u>Hotel, Convention Center,</u><br><u>Casino Floor Expansion &amp; 2</u><br><u>New Restaurants.</u> |
| <input type="checkbox"/> Solid Waste                                      |   |

Description of Project (check one or more):

- |  |   |
|--|---|
| <input checked="" type="checkbox"/> New Construction   | <input type="checkbox"/> Acquisition of existing facility                   |
| <input checked="" type="checkbox"/> Addition to existing facility<br><input type="checkbox"/> Existing IDA project                 | <input checked="" type="checkbox"/> Purchase of new machinery and equipment |
| <input checked="" type="checkbox"/> Renovation/modernization of existing facility<br><input type="checkbox"/> Existing IDA project | <input type="checkbox"/> Purchase of used machinery and equipment           |

Please respond to all items either by filling in blanks, by attachment (by marking space "See Attachment Number 1," etc.) or by N.A., where not applicable. This application must be filed in 4 copies. A complete application is essential for the Agency's determination of whether to provide the financial assistance requested. A non-refundable application fee of \$2,500.00 is required at the time of submission of this application to the Tioga County Industrial Development Agency (the "Agency"). In the event that multiple public hearings are required, \$500.00 per hearing will be charged in addition to the application fee.

The attached Environmental Assessment Form ("EAF") is an integral part of this application. This application will not be deemed complete unless accompanied by a fully completed EAF.

Before inducement, Bond Counsel (or Transaction Counsel, in the case of a Sale/Leaseback) will require a \$2,500 deposit which will be applied to actual out-of-pocket fees and disbursements made during the inducement and negotiation processes, and will be reflected on their final statement at closing.

Information provided herein will not be made public by the Agency prior to the passage of an Official Inducement Resolution, but may be subject to disclosure under the New York Freedom of Information Law.

APPLICANTS FOR FINANCIAL ASSISTANCE TO RETAIL FACILITIES ALSO COMPLETE RIDER A

APPLICANTS FOR TAX-EXEMPT BONDS ALSO COMPLETE RIDER B

I. OWNER DATA

A. PROPOSED PROJECT OWNER (THE "OWNER")

NAME Tioga Downs Racetrack, LLC

ADDRESS 2384 W. River Rd., Nichols, NY 13812

CONTACT Jay Dinga POSITION Director of Business Development

PHONE 607-221-4824 FEDERAL EMPLOYER I.D.# 20-1280492

FAX 607-699-7279 E-MAIL jdinga@tiogadowns.com

NAICS CODE 711210 –Arts, Entertainment & Recreation  
713200 – Amusement, Gambling & Recreation

BUSINESS TYPE:

SOLE PROPRIETORSHIP  LIMITED LIABILITY COMPANY

GENERAL PARTNERSHIP  LIMITED PARTNERSHIP

OTHER (PLEASE DESCRIBE) \_\_\_\_\_

State and Date of Organization New York, September, 2005

PRIVATELY HELD CORPORATION

PUBLIC CORPORATION  LISTED ON \_\_\_\_\_ EXCHANGE

State and Date of Incorporation \_\_\_\_\_

NOT-FOR-PROFIT CORPORATION

Qualified Under Section \_\_\_\_ of Internal Revenue Code (attach a copy of IRS Determination Letter)

State and Date of Incorporation or Charter \_\_\_\_\_

EDUCATION CORPORATION

Qualified Under Section \_\_\_\_ of the Internal Revenue Code (attach a copy of IRS Determination Letter)

State and Date of Incorporation or Charter \_\_\_\_\_

ATTORNEY Ed Kelley

FIRM NAME Bond Schoeneck & King

ADDRESS One Lincoln Center, 315 W. Fayette St., Syracuse, NY 13202

PHONE 315-218-8123 FAX 315-218-8411

E-MAIL ekelley@bsk.com

B. FACILITY USER (tenant using more than 10% of the square footage of the Facility, if different than the Owner) (THE "USER")

NAME \_\_\_\_\_

ADDRESS \_\_\_\_\_

CONTACT \_\_\_\_\_ POSITION \_\_\_\_\_

PHONE \_\_\_\_\_ FEDERAL EMPLOYER I.D.# \_\_\_\_\_

FAX \_\_\_\_\_ E-MAIL \_\_\_\_\_

NAICS CODE \_\_\_\_\_

BUSINESS TYPE:

SOLE PROPRIETORSHIP  LIMITED LIABILITY COMPANY

GENERAL PARTNERSHIP  LIMITED PARTNERSHIP

OTHER (PLEASE DESCRIBE) \_\_\_\_\_

State and Date of Organization \_\_\_\_\_

PRIVATELY HELD CORPORATION

PUBLIC CORPORATION  LISTED ON \_\_\_\_\_ EXCHANGE

State and Date of Incorporation \_\_\_\_\_

NOT-FOR-PROFIT CORPORATION

Qualified Under Section \_\_\_\_ of Internal Revenue Code (attach a copy of IRS Determination Letter)

State and Date of Incorporation or Charter \_\_\_\_\_

EDUCATION CORPORATION

Qualified Under Section \_\_\_ of the Internal Revenue Code (attach a copy of IRS Determination Letter)

State and Date of Incorporation or Charter

\_\_\_\_\_

ATTORNEY \_\_\_\_\_

FIRM NAME \_\_\_\_\_

ADDRESS \_\_\_\_\_

PHONE \_\_\_\_\_ FAX \_\_\_\_\_

E-MAIL \_\_\_\_\_

Please provide names of each additional User, if any, and all of the information requested above, on a separate sheet and attach it to this questionnaire.)

- C. Any related person (e.g., stockholder, principal, partner, member, parent corporation, sister corporation, subsidiary) to the above Owner or User proposed to be a user of the Project.

<u>NAME</u>	<u>BUSINESS TYPE</u>	<u>RELATIONSHIP</u>
American Racing & Entertainment	LLC	Parent Company

\_\_\_\_\_

- D. Principal stockholders or partners of the Owner and the User, if any (i.e., owners of 5% or more equity in the Owner or the User):

<u>NAME</u>	<u>% OWNED</u>	<u>WHICH COMPANY</u>
American Racing & Entertainment	100%	Tioga Downs Racetrack, LLC

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

- E. **APPLICANTS FOR TAX-EXEMPT FINANCING:** If any of the above persons, or a group of them, owns more than a 50% interest in the Owner or the User, list all other persons that are related to the Owner or the User by virtue of

such owners having more than a 50% interest in such other persons.

---

---

---

---

- F. **APPLICANTS FOR TAX-EXEMPT FINANCING:** Is the Owner or the User related to any other person by reason of more than 50% common ownership? If so, indicate the name of each related person and the Owner's or User's relationship to such person.

---

---

---

---

- G. List the Owner's and the User's parent corporations, sister corporations and subsidiaries if any.

Owner Parent Company: American Racing & Entertainment

Owner Sister Company: Vernon Downs Acquisition, LLC

---

---

- H. Has the Owner or the User (or any other entity listed in answer to questions C-G above) been involved in or benefitted by any prior tax-exempt bond financing in the town/city/village in which this Project is located, whether through the Agency, JDA or another issuer? If so, please explain in full (e.g., name of issuer and beneficiary; original amount of issue; date of issue; current amount outstanding; purpose of issue; etc.).

No

---

---

---

- I. Has the Owner or the User (or any related person) made a public offering or private placement of its stock within the last year? If so, please describe and provide the prospectus or other offering materials used.

No

---

---

---

- J. Has the Owner or the User (or any related person) applied to any other Industrial Development Agency in regard to this Project? If so, please provide details of any action taken with respect to the Project and the current status of such application.

No

---

---

---

- K. List the major bank references of the Owner and the User.

Owner Bank: Tioga State Bank

---

---

---

II. OWNER'S OPERATIONS AT CURRENT LOCATION

- A. Address 2384 W. River Rd., Nichols, NY 13812

- B. Acreage of existing facility 151.99 Acres

- C. Number of buildings and square feet of each building

19 Buildings (including horse barns & Parking Garage). Area of existing Gaming Facility is 84,675 Sq. Ft.

- D. Owned or leased Owned

- E. Please describe the type of operation (e.g., manufacturing, wholesale, distribution, retail, etc.) and products and services offered at current location: Casino, Harness Horse Racetrack, Parking Garage and Food & Beverage Operations.

F. Employment (current number of full-time employees or the equivalent) \_\_\_\_\_  
310 FTE, (555 total direct employment) \_\_\_\_\_

G. Annual payroll amount \$8,500,000 w/o Benefits + \$4,100,000 of Benefits.

III. USER'S OPERATIONS AT CURRENT LOCATION

A. Address \_\_\_\_\_ N/A \_\_\_\_\_

B. Acreage of existing facility \_\_\_\_\_

C. Number of buildings and square feet of each \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

D. Owned or leased \_\_\_\_\_

E. Please describe the type of operation (e.g., manufacturing, wholesale, distribution, retail, etc.) and products and services offered at current location: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

F. Employment (current number of full time employees or the equivalent) \_\_\_\_\_  
\_\_\_\_\_

G. Annual payroll amount \_\_\_\_\_

IV. PROPOSED PROJECT DATA

A. Location of Project - Please attach a map highlighting the location of the Project. In addition, please give the real property tax map number and exact street address of the Project, including the city or village (if any) and town in which the Project will be located. (If no street address is available, please include a survey and the most precise description available.) Please also identify the school district within which the Project will be located:

(Attached) \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



## Schedule IV – A

### Proposed Project Data:

Location: 2384 W. River Rd., Nichols, NY 13812

Tax Map #s:	Acres:
1.) 158.00 – 3 – 49	87.09
2.) 158.00 – 3 – 51	29.75
3.) 158.00 – 3 – 52	6.28
4.) 158.00 – 3 – 53	21.78
5.) 158.00 – 3 – 61.2	3.26
6.) 158.00 – 3 – 61.1	3.83
	<u>151.99</u>

Site map with Tax Map #s for largest 4 parcels follows.

Town, County & Tioga Central School District tax bills follow the Site/Tax Map.



Tioga Downs Tax Parcels
  Surrounding Tax Parcels

**Exhibit VIII.C.1.d: Map of Project Site**

Nichols, NY

TIOGA DOWNS



**Casino**  
Racing & Entertainment



Larson Design Group

This is a preliminary map. It is not intended to be used for any legal purpose. It is not a warranty, representation, or statement of fact. It is subject to change without notice.

# TOWN OF NICHOLS/COUNTY OF TIOGA

Bill # 001218

Fiscal Year: January 1, 2015 - December 31, 2015  
 Warrant Date: January 1, 2015

Bank Code:  
 Account #: 0000000237

Karen Hunsinger  
 P.O Box 359  
 54 E. River Rd.  
 Nichols NY 13812

SWIS: 492889 Tax Map ID: 158.00-3-49  
 Property class: Racetrack  
 Dimensions: 87.09 acres  
 Location:  
 Roll Section: 1  
 School: Tioga  
 State Aid: TOWN 158,688

Tioga Downs Racetrack Llc  
 % Finance  
 PO Box 509  
 Nichols, NY 13812

Exemption	Amount	Full Value	Tax Purpose
BUS. C	675.000	3,068.182	COUNTY

Total Assessed Value of your property: \$7,286,919  
 Assessor's stated uniform % used to establish assessments: 22.00%  
 Assessor's estimate of Full Market Value as of July 1, 2013 \$33,122,359

If you feel your assessment is too high, you have the right to seek a reduction. For further information, please ask your assessor for the booklet "How to File a Complaint on Your Assessment." Please note that the period for filing a complaint on this assessment has passed.

## TAX INFORMATION

Taxing Purpose	Total Tax Levy	% Change	Taxable Value	Tax Rate	Tax Amount
COUNTY	21,725,228	2.4	6611,919.00	38.853472	256,896.01
RECYCLE	1,005,658	9.4	6611,919.00	1.798522	11,891.68
TOWNWIDE	284,331	7.3	7286,919.00	8.021478	58,451.86
PART TOWN	107,159	-8.3	7286,919.00	3.490526	25,435.18
Nichols fire	157,990	14.3	7286,919.00	3.367560	24,539.14
TOTAL M					

Apply for Senior Citizen Exemption by: March 1, 2015  
 Apply for third party notification by: July 1, 2015

Full Payment Amount Due by: 01/31/2015 \$377,213.87

To Pay in Person: Mondays & Thursdays 8am -5pm  
 Tuesdays & Wednesdays 8am-2pm Firdays 8am -12pm  
 Paid by April 30,2015 add 3% Paid by May 31,2015 Add 4%  
 No Payments accepted after June 1, 2015 Phone 607-699-3110 ext 10

Karen Hunsinger  
 P.O Box 359  
 54 E. River Rd.  
 Nichols NY 13812  
 492889 158.00-3-49 Account #: 0000000237  
 Bank Code:  
 2384 W River Rd

Bill # 001218

If Paid By	01/31/2015	02/28/2015	03/31/2015
Interest %		1 %	2 %
Tax	\$377,213.87	\$377,213.87	\$377,213.87
Interest		3,772.14	7,544.28
Total Due	\$377,213.87	\$380,986.01	\$384,758.15

Please make checks, drafts or money orders payable to:  
 "Town of Nichols"

Tioga Downs Racetrack Llc  
 % Finance  
 PO Box 509  
 Nichols, NY 13812

Paid By \_\_\_\_\_  
 Received Base \_\_\_\_\_ Int \_\_\_\_\_ Total \_\_\_\_\_  
 Rcvd By \_\_\_\_\_ Date \_\_\_\_\_ CK \_\_\_\_\_ Cnsh \_\_\_\_\_

For Receipt, Check This Box  And Return Entire Bill.

# TIOGA CENTRAL SCHOOL DIST/TIOGA COUNTY

Bill # 001471

Fiscal Year: July 1, 2015 - June 30, 2016  
 Warrant Date: August 26 2015

Debra Cole, Tax Collector  
 Tioga Central School Dist  
 3 Fifth Ave, PO Box 241  
 Tioga Center NY 13845

Bank Code:  
 Account #: 00000000237

SWIS: 492889 Tax Map ID: 158.00-3-49.10  
 Property class: Racetrack  
 Dimensions: 85.84 acres  
 Location: 2384 W River Rd  
 Roll Section: 1  
 School: Tioga  
 NYS Tax and Finance School Code: 637  
 State Aid: SCHL 13,259,802

Exemption	Value of Exemption	Full Value	Tax Purpose

Tioga Downs Racetrack Llc  
 % Finance  
 PO Box 509  
 Nichols, NY 13812

Total Assessed Value of your property: \$7,286,919  
 Assessor's stated uniform % used to establish assessments: 23.00%  
 Assessor's estimate of Full Market Value as of July 1, 2014: \$31,682,257

If you feel your assessment is too high, you have the right to seek a reduction in the future. A publication entitled "What To Do If You Disagree With Your Assessment" is available at the assessor's office and on-line at [www.tax.ny.gov](http://www.tax.ny.gov). Please note that the period for filing complaints on the above assessment has passed.

### TAX INFORMATION

Taxing Purpose	Total Tax Levy	% Change	Taxable Value *	Tax Rate	Tax Amount
TOWN OF Nichols					
SCHOOL TAX	1,304,760	13.5	7286,919.00	48.228650	351,438.27
LIBRARY TAX	4,000	0.0	7286,919.00	.054690	398.52

Reg # 118992  
 PO # \_\_\_\_\_ Vendor # 11339  
 Approval #1 \_\_\_\_\_  
 Approval #2 \_\_\_\_\_  
 Approval #3 \_\_\_\_\_  
 GL Acct # 210,000,0000, 11554  
 GL Acct # \_\_\_\_\_  
 \* - Before Accounting for STAR exemption

Apply for Senior Citizen Exemption by: ~~March 1, 2016~~  
 Apply for third-party notification by: July 1, 2016  
 Full Amount Due by 10/15/2015 \$351,836.79

Your tax savings this year resulting from the New York State STAR exemption is: \$0.00

NOTE: This year's STAR tax savings generally may not exceed last year's by more than 2%

Debra Cole, Tax Collector  
 Tioga Central School Dist  
 3 Fifth Ave, PO Box 241  
 Tioga Center NY 13845  
 492889 158.00-3-49.10 Account #: 00000000237  
 2384 W River Rd Bank Code:

To Pay in Person: Tioga Central School Admin Building  
 3 Fifth Ave, Tioga Center NY 13845  
 Monday - Friday 7:30am-12 Noon.  
 Closed 9/7/15, 10/12/15, 11/11/15. No payments after 11/16/15. Phone 607-687-8000 x1005

If Paid By	Bill # 001471	
	10/15/2015	11/16/2015
Interest %		2 %
Tax	\$351,836.79	\$351,836.79
Interest		7,036.74
Total Due	\$351,836.79	\$358,873.53

Please make checks, drafts or money orders payable to:  
 Tax Collector - TCSD

Paid By \_\_\_\_\_  
 Received Base \_\_\_\_\_ Int \_\_\_\_\_ Total \_\_\_\_\_  
 Rcvd By \_\_\_\_\_ Date \_\_\_\_\_ CK \_\_\_\_\_ Cash \_\_\_\_\_

For Receipt, Check This Box  And Return Entire Bill.

Tioga Downs Racetrack Llc  
 % Finance  
 PO Box 509  
 Nichols, NY 13812

# TOWN OF NICHOLS/COUNTY OF TIOGA

Bill # 001219

Fiscal Year: January 1, 2015 - December 31, 2015  
 Warrant Date: January 1, 2015

Bank Code:  
 Account #: 00000000688

Karen Hunsinger  
 P.O. Box 359  
 54 E. River Rd.  
 Nichols NY 13812

SWIS: 492889 Tax Map ID: 158.00-3-51  
 Property class: Parking lot  
 Dimensions: 29.75 acres  
 Location:  
 Roll Section: 1  
 School: Tioga  
 State Aid: TOWN 158,688

Exemption	Amount	Full Value	Tax Purpose

Tioga Downs Racetrack Llc  
 % Finance  
 PO Box 509  
 Nichols, NY 13812

Total Assessed Value of your property: \$20,150  
 Assessor's stated uniform % used to establish assessments: 22.00%  
 Assessor's estimate of Full Market Value as of July 1, 2013 \$91,591

If you feel your assessment is too high, you have the right to seek a reduction. For further information, please ask your assessor for the booklet "How to File a Complaint on Your Assessment." Please note that the period for filing a complaint on this assessment has passed.

### TAX INFORMATION

Taxing Purpose	Total Tax Levy	% Change	Taxable Value	Tax Rate	Tax Amount
COUNTY	21,725,228	2.4	20,150.00	38.853472	782.90
RECYCLE	1,005,658	9.4	20,150.00	1.798522	36.24
TOWNWIDE	284,331	7.3	20,150.00	8.021478	161.63
PART TOWN	107,159	-8.3	20,150.00	3.490526	70.33
Nichols fire TOTAL M	157,990	14.3	20,150.00	3.367560	67.86

Apply for Senior Citizen Exemption by: March 1, 2015  
 Apply for third party notification by: July 1, 2015

Full Payment Amount Due by: 01/31/2015 \$1,118.96

To Pay in Person: Mondays & Thursdays 8am -5pm  
 Tuesdays & Wednesdays 8am-2pm Fridays 8am -12pm  
 Paid by April 30,2015 add 3% Paid by May 31,2015 Add 4%  
 No Payments accepted after June 1, 2015 Phone 607-699-3110 ext 10

Karen Hunsinger  
 P.O. Box 359  
 54 E. River Rd.  
 Nichols NY 13812

Bill # 001219

If Paid By	01/31/2015	02/28/2015	03/31/2015
Interest %		1 %	2 %
Tax	\$1,118.96	\$1,118.96	\$1,118.96
Interest		11.19	22.38
Total Due	\$1,118.96	\$1,130.15	\$1,141.34

492889 158.00-3-51 Account #: 00000000688  
 Bank Code:

Please make checks, drafts or money orders payable to:  
 "Town of Nichols"

Tioga Downs Racetrack Llc  
 % Finance  
 PO Box 509  
 Nichols, NY 13812

Paid By \_\_\_\_\_  
 Received Base \_\_\_\_\_ Int \_\_\_\_\_ Total \_\_\_\_\_  
 Rcvd By \_\_\_\_\_ Date \_\_\_\_\_ CK \_\_\_\_\_ Cash \_\_\_\_\_

For Receipt, Check This Box  And Return Entire Bill.

# TIOGA CENTRAL SCHOOL DIST/TIOGA COUNTY

Bill # 001472

Fiscal Year: July 1, 2015 - June 30, 2016  
 Warrant Date: August 26 2015

Bank Code:  
 Account #: 00000000688

Debra Cole, Tax Collector  
 Tioga Central School Dist  
 3 Fifth Ave, PO Box 241  
 Tioga Center NY 13845

SWIS: 492889 Tax Map ID: 158.00-3-51  
 Property class: Parking lot  
 Dimensions: 29.75 acres  
 Location: W River Rd  
 Roll Section: 1  
 School: Tioga  
 NYS Tax and Finance School Code: 637  
 State Aid: SCHL 13,259,802

Exemption	Value of Exemption	Full Value	Tax Purpose

Tioga Downs Racetrack Llc  
 % Finance  
 PO Box 509  
 Nichols, NY 13812

Total Assessed Value of your property: \$20,150  
 Assessor's stated uniform % used to establish assessments: 23.00%  
 Assessor's estimate of Full Market Value as of July 1, 2014: \$87,609

If you feel your assessment is too high, you have the right to seek a reduction in the future. A publication entitled "What To Do If You Disagree With Your Assessment" is available at the assessor's office and on-line at www.tax.ny.gov. Please note that the period for filing complaints on the above assessment has passed.

### TAX INFORMATION

Taxing Purpose	Total Tax Levy	% Change	Taxable Value *	Tax Rate	Tax Amount
TOWN OF Nichols					
SCHOOL TAX	1,304,760	13.5	20,150.00	48.228650	971.81
LIBRARY TAX	4,000	0.0	20,150.00	.054690	1.10

Ref # 118992  
 AD 116979 9/14/15

PO # \_\_\_\_\_ Vendor # 11339  
 Approval # \_\_\_\_\_  
 Approval # \_\_\_\_\_  
 Approval # \_\_\_\_\_  
 GL Acct # 210.000.0000.11554  
 GL Acct # \_\_\_\_\_  
 GL Acct # \_\_\_\_\_

Apply for Senior Citizen Exemption by: March 1, 2016 Full Amount Due by 10/15/2015 \$972.91  
 Apply for third party notification by: July 1, 2016

Your tax savings this year resulting from the New York State STAR exemption is: \$0.00

NOTE: This year's STAR tax savings generally may not exceed last year's by more than 2%

To Pay in Person: Tioga Central School Admin Building  
 3 Fifth Ave, Tioga Center NY 13845  
 Monday - Friday 7:30am-12 Noon.  
 Closed 9/7/15, 10/12/15, 11/11/15. No payments after 11/16/15. Phone 607-687-8000 x1005

Debra Cole, Tax Collector  
 Tioga Central School Dist  
 3 Fifth Ave, PO Box 241  
 Tioga Center NY 13845  
 492889 158.00-3-51 Account #: 00000000688  
 W River Rd Bank Code:

Bill # 001472

If Paid By	10/15/2015	11/16/2015	%
Interest %		2 %	%
Tax	\$972.91	\$972.91	
Interest		19.46	
Total Due	\$972.91	\$992.37	

Please make checks, drafts or money orders payable to:  
 Tax Collector - TCSD

Tioga Downs Racetrack Llc  
 % Finance  
 PO Box 509  
 Nichols, NY 13812

Paid By \_\_\_\_\_  
 Received Base \_\_\_\_\_ Int \_\_\_\_\_ Total \_\_\_\_\_  
 Rcvd By \_\_\_\_\_ Date \_\_\_\_\_ CK \_\_\_\_\_ Cash \_\_\_\_\_

For Receipt, Check This Box  And Return Entire Bill.

# TOWN OF NICHOLS/COUNTY OF TIOGA

Bill # 001220

Fiscal Year: January 1, 2015 - December 31, 2015  
 Warrant Date: January 1, 2015

Bank Code:  
 Account #: 00000000632

Karen Hunsinger  
 P.O Box 359  
 54 E. River Rd.  
 Nichols NY 13812

SWIS: 492889 Tax Map ID: 158.00-3-52  
 Property class: Rural vac<10  
 Dimensions: 6.28 acres  
 Location:  
 Roll Section: 1  
 School: Tioga  
 State Aid: TOWN 158,688

Exemption	Amount	Full Value	Tax Purpose

Tioga Downs Racetrack Llc  
 % Finance  
 PO Box 509  
 Nichols, NY 13812

Total Assessed Value of your property: \$6,000  
 Assessor's stated uniform % used to establish assessments: 22.00%  
 Assessor's estimate of Full Market Value as of July 1, 2013 \$27,273

If you feel your assessment is too high, you have the right to seek a reduction. For further information, please ask your assessor for the booklet "How to File a Complaint on Your Assessment." Please note that the period for filing a complaint on this assessment has passed.

### TAX INFORMATION

Taxing Purpose	Total Tax Levy	% Change	Taxable Value	Tax Rate	Tax Amount
COUNTY	21,725,228	2.4	6,000.00	38.853472	233.12
RECYCLE	1,005,658	9.4	6,000.00	1.798522	10.79
TOWNWIDE	284,331	7.3	6,000.00	8.021478	48.13
PART TOWN	107,159	-8.3	6,000.00	3.490526	20.94
Nichols fire TOTAL M	157,990	14.3	6,000.00	3.367560	20.21

Apply for Senior Citizen Exemption by: March 1, 2015  
 Apply for third party notification by: July 1, 2015

Full Payment Amount Due by: 01/31/2015 \$333.19

To Pay in Person: Mondays & Thursdays 8am -5pm  
 Tuesdays & Wednesdays 8am-2pm Firdays 8am -12pm  
 Paid by April 30,2015 add 3% Paid by May 31,2015 Add 4%  
 No Payments accepted after June 1, 2015 Phone 607-699-3110 ext 10

Karen Hunsinger  
 P.O Box 359  
 54 E. River Rd.  
 Nichols NY 13812  
 492889 158.00-3-52 Account #: 00000000632  
 Bank Code:  
 W River Rd

Bill # 001220

If Paid By	01/31/2015	02/28/2015	03/31/2015
Interest %		1 %	2 %
Tax	\$333.19	\$333.19	\$333.19
Interest		3.33	6.66
Total Due	\$333.19	\$336.52	\$339.85

Please make checks, drafts or money orders payable to: "Town of Nichols"

Paid By \_\_\_\_\_  
 Received Base \_\_\_\_\_ Int \_\_\_\_\_ Total \_\_\_\_\_  
 Rcvd By \_\_\_\_\_ Date \_\_\_\_\_ CK \_\_\_\_\_ Cash \_\_\_\_\_

For Receipt, Check This Box  And Return Entire Bill.

Tioga Downs Racetrack Llc  
 % Finance  
 PO Box 509  
 Nichols, NY 13812

# TIOGA CENTRAL SCHOOL DIST/TIOGA COUNTY

Bill # 001473

Fiscal Year: July 1, 2015 - June 30, 2016  
 Warrant Date: August 26 2015

Bank Code:  
 Account #: 00000000632

Debra Cole, Tax Collector  
 Tioga Central School Dist  
 3 Fifth Ave, PO Box 241  
 Tioga Center NY 13845

SWIS: 492889 Tax Map ID: 158.00-3-52  
 Property class: Rural vac<10  
 Dimensions: 6.28 acres  
 Location: W River Rd  
 Roll Section: 1  
 School: Tioga  
 NYS Tax and Finance School Code: 637  
 State Aid: SCHL 13,259,802

Exemption	Value of Exemption	Full Value	Tax Purpose

Tioga Downs Racetrack Llc  
 % Finance  
 PO Box 509  
 Nichols, NY 13812

Total Assessed Value of your property: \$6,000  
 Assessor's stated uniform % used to establish assessments: 23.00%  
 Assessor's estimate of Full Market Value as of July 1, 2014: \$26,087

If you feel your assessment is too high, you have the right to seek a reduction in the future. A publication entitled "What To Do If You Disagree With Your Assessment" is available at the assessor's office and on-line at www.tax.ny.gov. Please note that the period for filing complaints on the above assessment has passed.

### TAX INFORMATION

lg # 118992  
 12216979  
 9/14/15

Taxing Purpose	Total Tax Levy	% Change	Taxable Value *	Tax Rate	Tax Amount
TOWN OF Nichols					
SCHOOL TAX	1,304,760	13.5	6,000.00	48.228650	289.37
LIBRARY TAX	4,000	0.0	6,000.00	.054690	0.33

PO # \_\_\_\_\_ Vendor # 11339  
 Approval #1 \_\_\_\_\_  
 Approval #2 \_\_\_\_\_  
 Approval #3 \_\_\_\_\_  
 GL Acct # 210.000.0000.11554  
 GL Acct # \_\_\_\_\_  
 GL Acct # \_\_\_\_\_

\* = Before Accounting for STAR exemption

Apply for Senior Citizen Exemption by: March 1, 2016  
 Apply for third party notification by: July 1, 2016  
**Full Amount Due by 10/15/2015 \$289.70**

Your tax savings this year resulting from the New York State STAR exemption is: \$0.00

NOTE: This year's STAR tax savings generally may not exceed last year's by more than 2%

To Pay in Person: Tioga Central School Admin Building  
 3 Fifth Ave, Tioga Center NY 13845  
 Monday - Friday 7:30am-12 Noon.  
 Closed 9/7/15, 10/12/15, 11/11/15. No payments after 11/16/15. Phone 607-687-8000 x1005

Debra Cole, Tax Collector  
 Tioga Central School Dist  
 3 Fifth Ave, PO Box 241  
 Tioga Center NY 13845  
 492889 158.00-3-52 Account #: 00000000632  
 W River Rd Bank Code:

Bill # 001473

If Paid By	10/15/2015	11/16/2015	%
Interest %		2 %	
Tax	\$289.70	\$289.70	
Interest		5.79	
<b>Total Due</b>	<b>\$289.70</b>	<b>\$295.49</b>	

Please make checks, drafts or money orders payable to:  
**Tax Collector - TCSD**

Tioga Downs Racetrack Llc  
 % Finance  
 PO Box 509  
 Nichols, NY 13812

Paid By \_\_\_\_\_  
 Received Base \_\_\_\_\_ Int \_\_\_\_\_ Total \_\_\_\_\_  
 Rcvd By \_\_\_\_\_ Date \_\_\_\_\_ CK \_\_\_\_\_ Cash \_\_\_\_\_  
 For Receipt, Check This Box  And Return Entire Bill.



# TOWN OF NICHOLS/COUNTY OF TIOGA

Bill # 001221

Fiscal Year: January 1, 2015 - December 31, 2015  
 Warrant Date: January 1, 2015

Bank Code:  
 Account #: 00000001020

Karen Hunsinger  
 P.O Box 359  
 54 E. River Rd.  
 Nichols NY 13812

SWIS: 492889 Tax Map ID: 158.00-3-53  
 Property class: Vacant comm  
 Dimensions: 21.78 acres  
 Location:  
 Roll Section: 1  
 School: Tioga  
 State Aid: TOWN 158,688

Exemption	Amount	Full Value	Tax Purpose

Tioga Downs Racetrack Llc  
 % Finance  
 PO Box 509  
 Nichols, NY 13812

If you feel your assessment is too high, you have the right to seek a reduction. For further information, please ask your assessor for the booklet "How to File a Complaint on Your Assessment." Please note that the period for filing a complaint on this assessment has passed.

Total Assessed Value of your property: \$21,700  
 Assessor's stated uniform % used to establish assessments: 22.00%  
 Assessor's estimate of Full Market Value as of July 1, 2013 \$98,636

### TAX INFORMATION

Taxing Purpose	Total Tax Levy	% Change	Taxable Value	Tax Rate	Tax Amount
COUNTY	21,725,228	2.4	21,700.00	38.853472	843.12
RECYCLE	1,005,658	9.4	21,700.00	1.798522	39.03
TOWNWIDE	284,331	7.3	21,700.00	8.021478	174.07
PART TOWN	107,159	-8.3	21,700.00	3.490526	75.74
Nichols fire TOTAL M	157,990	14.3	21,700.00	3.367560	73.08

Apply for Senior Citizen Exemption by: March 1, 2015  
 Apply for third party notification by: July 1, 2015

Full Payment Amount Due by: 01/31/2015 \$1,205.04

To Pay in Person: Mondays & Thursdays 8am -5pm  
 Tuesdays & Wednesdays 8am-2pm Firdays 8am -12pm  
 Paid by April 30,2015 add 3% Paid by May 31,2015 Add 4%  
 No Payments accepted after June 1, 2015 Phone 607-699-3110 ext 10

Karen Hunsinger  
 P.O Box 359  
 54 E. River Rd.  
 Nichols NY 13812

Bill # 001221

If Paid By	01/31/2015	02/28/2015	03/31/2015
Interest %		1 %	2 %
Tax	\$1,205.04	\$1,205.04	\$1,205.04
Interest		12.05	24.10
Total Due	\$1,205.04	\$1,217.09	\$1,229.14

Please make checks, drafts or money orders payable to:  
 "Town of Nichols"

492889 158.00-3-53 Account #: 00000001020  
 Bank Code:

Tioga Downs Racetrack Llc  
 % Finance  
 PO Box 509  
 Nichols, NY 13812

Paid By \_\_\_\_\_  
 Received Base \_\_\_\_\_ Int \_\_\_\_\_ Total \_\_\_\_\_  
 Rcvd By \_\_\_\_\_ Date \_\_\_\_\_ CK \_\_\_\_\_ Cash \_\_\_\_\_

For Receipt, Check This Box  And Return Entire Bill.

# TIOGA CENTRAL SCHOOL DIST/TIOGA COUNTY

Bill # 001474

Fiscal Year: July 1, 2015 - June 30, 2016  
 Warrant Date: August 26 2015

Bank Code:  
 Account #: 0000001020

Debra Cole, Tax Collector  
 Tioga Central School Dist  
 3 Fifth Ave, PO Box 241  
 Tioga Center NY 13845

SWIS: 492889 Tax Map ID: 158.00-3-53  
 Property class: Vacant comm  
 Dimensions: 21.78 acres  
 Location: W River Rd  
 Roll Section: 1  
 School: Tioga  
 NYS Tax and Finance School Code: 637  
 State Aid: SCHL 13,259,802

Exemption	Value of Exemption	Full Value	Tax Purpose

Tioga Downs Racetrack Llc  
 % Finance  
 PO Box 509  
 Nichols, NY 13812

Total Assessed Value of your property: \$21,700  
 Assessor's stated uniform % used to establish assessments: 23.00%  
 Assessor's estimate of Full Market Value as of July 1, 2014: \$94,348

If you feel your assessment is too high, you have the right to seek a reduction in the future. A publication entitled "What To Do If You Disagree With Your Assessment" is available at the assessor's office and on-line at www.tax.ny.gov. Please note that the period for filing complaints on the above assessment has passed.

### TAX INFORMATION

Taxing Purpose	Total Tax Levy	% Change	Taxable Value *	Tax Rate	Tax Amount
TOWN OF Nichols					
SCHOOL TAX	1,304,760	13.5	21,700.00	48.228650	1,046.56
LIBRARY TAX	4,000	0.0	21,700.00	.054690	1.19

Reg # 118992 wsa 9/14/15

PO # \_\_\_\_\_ Vendor # 11339  
 Approval #1 \_\_\_\_\_  
 Approval #2 \_\_\_\_\_  
 Approval #3 \_\_\_\_\_  
 GL Acct # 210.000.0000.11554  
 GL Acct # \_\_\_\_\_  
 \* = Before Accounting for STAR exemption

Apply for Senior Citizen Exemption by: March 1, 2016  
 Apply for third party notification by: July 1, 2016

Full Amount Due by 10/15/2015 \$1,047.75

Your tax savings this year resulting from the New York State STAR exemption is: \$0.00

NOTE: This year's STAR tax savings generally may not exceed last year's by more than 2%

To Pay in Person: Tioga Central School Admin Building  
 3 Fifth Ave, Tioga Center NY 13845  
 Monday - Friday 7:30am-12 Noon.  
 Closed 9/7/15, 10/12/15, 11/11/15. No payments after 11/16/15. Phone 607-687-8000 x1005

Debra Cole, Tax Collector  
 Tioga Central School Dist  
 3 Fifth Ave, PO Box 241  
 Tioga Center NY 13845  
 492889 158.00-3-53 Account #: 0000001020  
 W River Rd Bank Code:

Bill # 001474

If Paid By	10/15/2015	11/16/2015	
Interest %		2 %	%
Tax	\$1,047.75	\$1,047.75	
Interest		20.96	
Total Due	\$1,047.75	\$1,068.71	

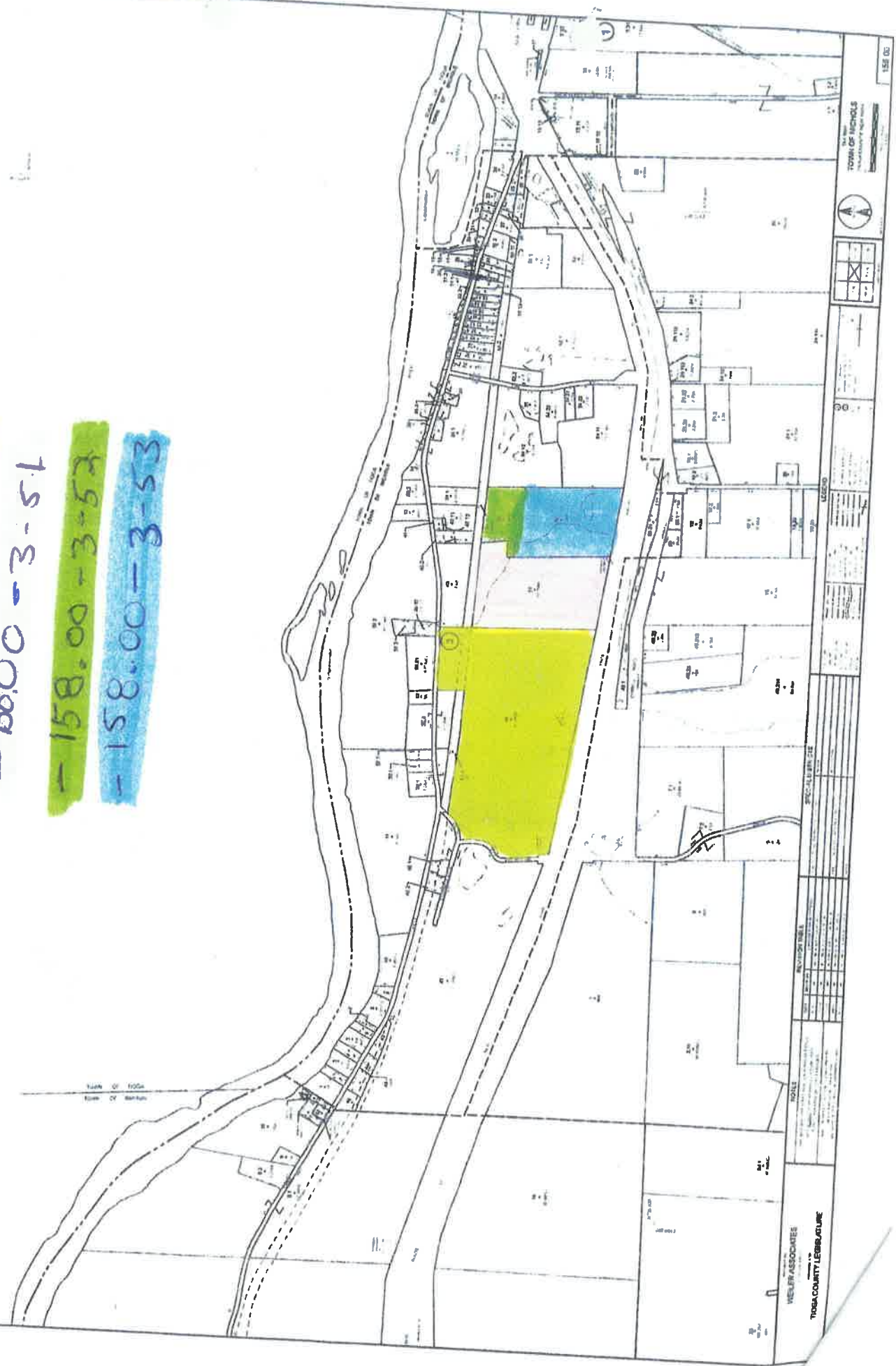
Please make checks, drafts or money orders payable to:  
 Tax Collector - TCSD

Tioga Downs Racetrack Llc  
 % Finance  
 PO Box 509  
 Nichols, NY 13812

Paid By \_\_\_\_\_  
 Received Base \_\_\_\_\_ Int \_\_\_\_\_ Total \_\_\_\_\_  
 Rcvd By \_\_\_\_\_ Date \_\_\_\_\_ CK \_\_\_\_\_ Cash \_\_\_\_\_  
 For Receipt, Check This Box  And Return Entire Bill.

# ATTACHMENT IV A. plat

- 158.00 - 3-49
- 158.00 - 3-51
- 158.00 - 3-52
- 158.00 - 3-53



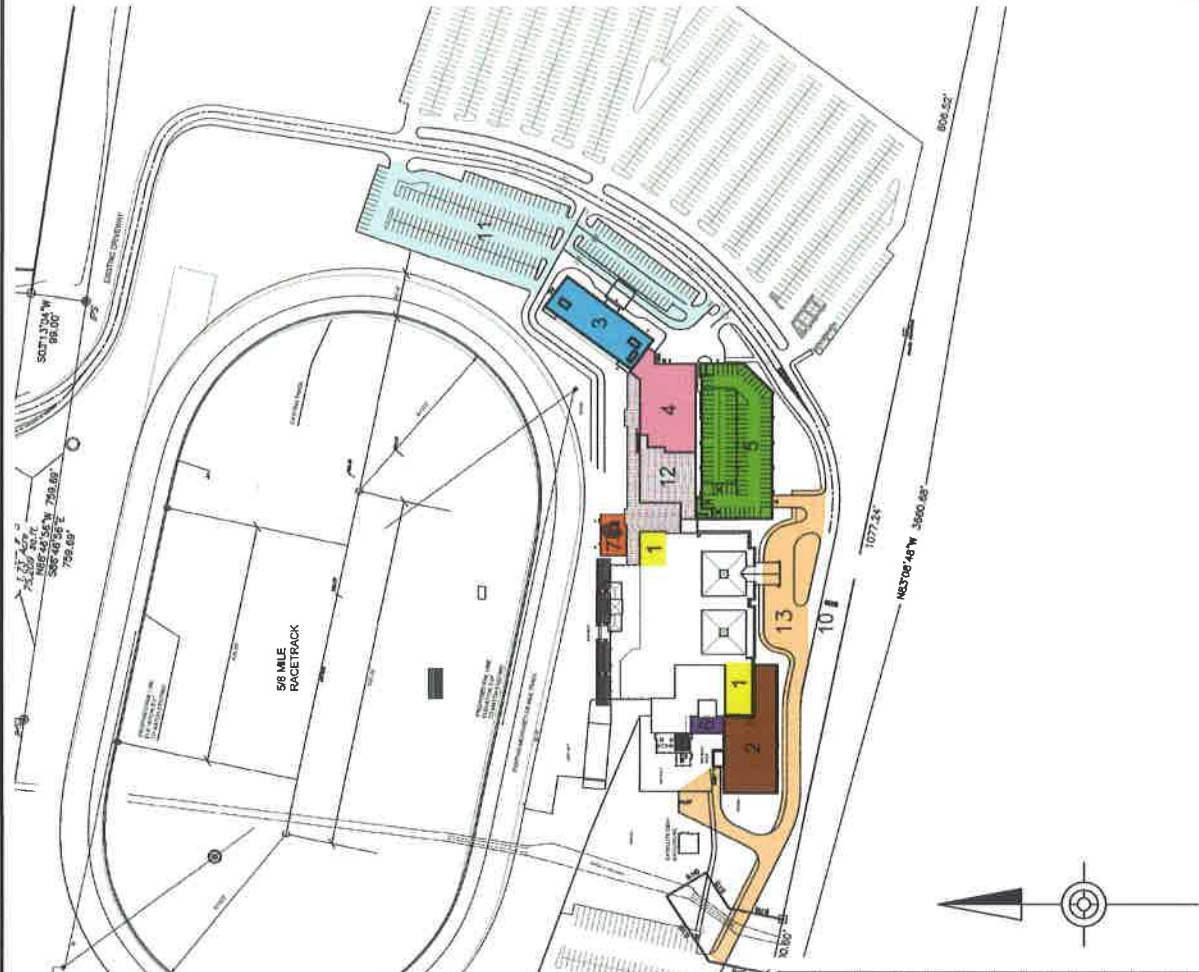


**TIOGA DOWNS  
GAMING/HOTEL/RELATED AMENITIES EXPANSION**

TOWN OF NICHOLS, TIOGA COUNTY, NEW YORK

DRAWN BY:	ALK
CHECKED BY:	MPM
DATE:	05-22-12
FIGURE NO.:	1.1
PROJECT NO.:	6644-001

**SITE MASTER PLAN**



**TABLE 1: PROPOSED PROJECT CONSTRUCTION**

PROJECT	DESCRIPTION
1.	EXISTING TIOGA DOWNS CASINO RENOVATIONS (5,100± S.F. GAMING AREA & 2,700± S.F. LOUNGE AREA)
2.	PROPOSED CASINO EXPANSION (17,400± S.F.)
3.	PROPOSED TIOGA DOWNS CASINO HOTEL (136 ROOMS)
4.	PROPOSED HOTEL AMENITIES (MULTI-PURPOSE ROOM, RESTAURANT, ETC.)
5.	PROPOSED PARKING GARAGE (300 PARKING SPACES TOTAL OVER THREE LEVELS)
6.	PROPOSED SECOND FLOOR OFFICE EXPANSION (1,900± S.F.)
7.	PROPOSED WATER SLIDE
8.	NEW PADDOCK (SPRING 2012 COMPLETION)
9.	PROPOSED RELOCATION OF EXISTING PADDOCK
10.	PROPOSED PYLON SIGN
11.	PROPOSED HOTEL PARKING LOT (204 PARKING SPACES TOTAL IN TWO AREAS)
12.	PROPOSED OUTDOOR PATIOS AND ROOF DECK
13.	PROPOSED INTERIOR DRIVE REALIGNMENT

B. Project Site - Please submit 3 copies of plans or sketches of the proposed acquisition, renovation or construction (under separate cover is permissible). Also attach a photograph of the site or existing facility to be improved.

1. Acreage 151.99

2. Acquisition of existing buildings:

a) Existing buildings to be acquired (number of buildings and square feet of each building):

N/A

b) Does the Project consist of additions and/or renovations to existing buildings? If so, indicate the nature of the expansion and/or renovation in reasonable detail.

(Attached, pg 9.1)

3. New Construction:

a) Number and square feet of each new building to be constructed:

(Attached, pg 9.2)

b) Builder or contractor and address:

LP Ciminelli

2421 Main Street, Buffalo NY

c) Architect and address:

Climans\*Greene\*Liang Architects, Inc

160 Pears Avenue, Suite 418, Toronto, Ontario M5R

4. Present use of the Project site:

Casino Facility, Harness Horse Racetrack & Food and Beverage Operations. Also used as Parking Lot.

## Schedule IV – B.2.b

### Project Site:

B.2.b.) Does Project consist of additions and/or expansions to existing buildings?

Yes.

- 1.) Casino Floor Expansion (19,460 sq. ft.) required to accommodate 1,000 slot machines and up to 50 table games.
- 2.) Virgil's BBQ & Honky Tonk Restaurant (13,981 sq. ft.) will be accessible from the Interior Drive and directly off the Casino Floor.
- 3.) The current Winner's Circle Lounge area (2,093 sq.ft. is being renovated into a Poker Room after being expanded by an additional 613 sq. ft.
- 4.) Farmers Market Site electrical, fire, HVAC and plumbing upgrade.

## Schedule IV – B.3.a

### New Construction:

B.3.a) Number and square feet of each new building to be constructed:

- 1.) Hotel Building, 161 Rooms, 96,737 sq. ft.
- 2.) Conventions and Amenities Center, 60,428 sq, ft.
- 3.) Water Slide, outdoor swimming pool & Cabana.
- 4.) Infield Infrastructure to support new outdoor 12,000+ person concert venue.

5. Present user of Project site:

Owner – Tioga Downs Racetrack, LLC

6. Relationship of present user of Project site to the Owner, if any: \_\_\_\_\_

(Same)

C. **(Attached, pg 10.1)**

Project Use Description – Please provide a detailed description of the Project and the Project’s intended use. (E.g., “The construction and equipping of an approximately \_\_\_\_\_ square foot building, of which \_\_\_\_\_ square feet will be used for the manufacturing of \_\_\_\_\_, \_\_\_\_\_ square feet will be used for warehousing finished products and \_\_\_\_\_ square feet will be used for office space, and the acquisition and installation of the following items of machinery and equipment: \_\_\_\_\_, all to be used by the Owner/User in connection with the manufacturing and/or warehousing of \_\_\_\_\_ for the \_\_\_\_\_ industry.) If additional space is necessary, please attach an exhibit to this application.

**APPLICANTS FOR TAX-EXEMPT FINANCING PLEASE NOTE:** The Tax Reform Act of 1986 limits the types of facilities that are eligible for tax-exempt financing to manufacturing facilities, civic facilities and certain other exempt facilities.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

D. Are there utilities on site? Yes

- a. Water (indicate municipal or other) Other – Well water.
- b. Sewer (indicate municipal or other) Own on-site Wastewater Treatment Plant.
- c. Electric (Name of utility company) NYSEG
- d. Gas (Name of utility company) None – Propane Gas Utilized



# Schedule IV - C

## Proposed Project Data

### **C. Project Use Description:**

Tioga Downs Racetrack, LLC, is planning 198,606 sq. ft. of new building construction to add to the 84,675 sq. ft. of the existing Facility:

A 161 Room Boutique Hotel (96737 sq. ft.) will include a business center, a fitness center, an outdoor resort-style pool, cabana & waterslide, and an indoor pool and spa.

An Amenities Building (60,428) to house conventions & events will include an indoor concert venue, a PJ Clarkes NY City - style restaurant and two outdoor roof top terraces.

A casino floor expansion (19,460 sq. ft.) is required to handle 1,000 slot machines and 50 table games, renovations to the existing gaming floor are required and the current Winner's Circle Lounge (2,093 sq. ft.) will be expanded by 613 sq.ft. and converted into a live Poker Room.

Virgil's BBQ & Honky Tonk, a 2<sup>nd</sup> NY City – style restaurant (13,981 sq.ft.) will be newly constructed off the Southwest portion of the existing facility.

Infrastructure improvements to the racetrack infield will allow for the establishment of a 12,000+ person outdoor concert venue, in order to draw top rate talent.

The capacity of the on-site Wastewater Treatment Facility will be expanded.

Additional infrastructure improvements will help establish a wide variety of outdoor family entertainment sites be established throughout the eastward portion of the property.

The Interior Drive will be Realigned.

Finally, the current Farmers Market Site will be upgraded for electrical power, plumbing, HVAC systems and Fire Suppression systems.

In conclusion, Tioga Downs will invest an additional \$147,573,000 of new construction & site work (\$86,818,000), FF &E (\$29,005,000), License fees (\$21,000,000) and other fees, expenses and soft costs (see Figure 4: Project Development Budget Exhibit VIII.B.3.a, Economic Impact).

Figure 4: Projected Development Budget for Tioga Downs Casino Resort

	Total	Of which:			
		County	Region	NY State	Other/NA
<b>Hard Construction:</b>					
Building Construction	\$75,193,000	\$30,077,200	\$71,433,350	\$75,193,000	\$0
Infield Events Center	\$125,000	\$50,000	\$118,750	\$125,000	\$0
Outdoor Pool and Water Slide	\$1,500,000	\$600,000	\$1,425,000	\$1,500,000	\$0
Site work	\$10,000,000	\$4,000,000	\$9,500,000	\$10,000,000	\$0
<b>Construction Sub-total</b>	<b>\$86,818,000</b>	<b>\$34,727,200</b>	<b>\$82,477,100</b>	<b>\$86,818,000</b>	<b>\$0</b>
<b>Soft Costs:</b>					
Professional Fees and Expenses	\$4,960,000	\$783,761	\$783,761	\$998,206	\$3,961,794
Signage	\$250,000	\$0	\$0	\$250,000	\$0
FF&E	\$4,475,000	\$1,342,500	\$3,580,000	\$4,027,500	\$447,500
OS&E	\$2,530,000	\$1,138,500	\$2,024,000	\$2,277,000	\$253,000
Gaming FF&E	\$22,000,000	\$0	\$0	\$0	\$22,000,000
Reimbursements	\$3,000,000	\$0	\$0	\$0	\$3,000,000
Contingencies*	\$2,000,000	\$0	\$0	\$0	\$2,000,000
<b>Soft cost subtotal</b>	<b>\$39,215,000</b>	<b>\$3,264,761</b>	<b>\$6,387,761</b>	<b>\$7,552,706</b>	<b>\$31,662,294</b>
<b>Fees and Pre-opening expenses:</b>					
Licenses and fees*	\$21,000,000	\$0	\$0	\$0	\$21,000,000
Permits	\$40,000	\$0	\$0	\$0	\$40,000
Pre-opening expenses	\$500,000	\$250,000	\$500,000	\$500,000	\$0
<b>Fee and Pre-opening Sub-total:</b>	<b>\$21,540,000</b>	<b>\$250,000</b>	<b>\$500,000</b>	<b>\$500,000</b>	<b>\$21,040,000</b>
<b>Grand total (n.i. financing costs)</b>	<b>\$147,573,000</b>	<b>\$38,241,961</b>	<b>\$89,364,861</b>	<b>\$94,870,706</b>	<b>\$52,702,294</b>

\*We do not calculate the economic impacts of monies received by the State or the State Gaming Commission for the one-time license fee expense, thus these dollars are classified as not applicable (N/A) for the impact assessment. Contingencies by definition are dollars that may not be spent and therefore are also not included in our impact modeling. County, Region and Statewide shares estimated by GGH are based on discussions with trade representatives regarding availability of labor and materials.

**Methodology**

The economic impact of the casino resort will be felt in two phases. The first phase is the construction impact, analyzed in this section of the report. These impacts are temporal in that they only are experienced during the construction phase of the project, with some ripple effects in the local economy for a short period after construction is completed. Ripple effects are essentially a multiplier effect, meaning that money earned by construction employees and materials suppliers will then be re-spent in the local economy, further benefiting other

- E. If any space in the Project is to be leased by the Agency or the Owner to third parties, or subleased by the User to third parties, indicate the total square footage of the Project to be leased to each tenant, and the proposed use of that space by each tenant. Although the tenants may not yet be known, the general purposes for which the Project will be used must still be indicated (e.g., manufacturing, office, warehouse, etc.). Use a separate sheet, if necessary.

N/A

---



---



---

- F. 1. List principal items or categories of equipment to be acquired as part of the Project and identify whether equipment will be new or used.

All new equipment. Kitchen Equipment, HVAC, Refrigeration, Hotel FF&E, Hotel Management systems, F& B systems, Surveillance Cameras and Support systems, Audio- Visual systems, Fire Safety systems, IT Infrastructure & systems and Back-up Generators, 1,000 new slot machines, 50 gaming tables and chairs.

2. Have any of the items or categories listed above been ordered or obtained? If so, enclose copies of purchase orders, contracts and/or invoices.

Not ordered yet.

---

- G. Has construction work on the Project begun? If so, complete the following:

- |    |                         |                              |  |
|----|-------------------------|------------------------------|--|
| 1. | Site clearance          | <input type="checkbox"/> yes | <input checked="" type="checkbox"/> no _____% complete |
| 2. | Foundation              | <input type="checkbox"/> yes | <input checked="" type="checkbox"/> no _____% complete |
| 3. | Footings                | <input type="checkbox"/> yes | <input checked="" type="checkbox"/> no _____% complete |
| 4. | Steel                   | <input type="checkbox"/> yes | <input checked="" type="checkbox"/> no _____% complete |
| 5. | Masonry                 | <input type="checkbox"/> yes | <input checked="" type="checkbox"/> no _____% complete |
| 6. | Other (describe below): |                              |  |

SEQR process initiated, DOT Traffic studies concluded & Water Capacity studies have been conducted. Engineering & Architectural designs have been prepared. A height variance wavier to be issued by Town.

H. Existing facilities within New York State:

1. Are there other facilities owned, leased or used by the Owner or User (or any related person) within the state? If so, tell where such facilities are located and describe the terms of the Owner's or the User's (or any related person's) interest in such facilities.

No, not by Tioga Downs, LLC

---

---

---

2. If there are other facilities within the state, is it expected that any of these other facilities will close or be subject to reduced activity as a result of the proposed Project?

yes  no

3. If you answered "No" to question 2 above, please explain in detail how current facilities will be utilized.

Vernon Downs, in Vernon, NY will continue on, in its own current racino market, seven (7) miles away from Turning Stone Casino. However, the benefits of a Sales Tax Exemption and phased in tax payments on the valuation of the new construction at Tioga Downs will have a positive impact on cash flow in the early months and years of the PILOT, allowing for the continued subsidization of Vernon Downs if necessary.

4. If you answered "Yes" to question 2 above, please indicate whether the Project is reasonably necessary for the Owner or User, as applicable, to maintain its competitive position in its industry and explain in detail.

---

---

---

---

---

---

---

- 5. Has the Owner or the User thought about moving to another state? Has the Owner or the User engaged in any negotiations in that regard? If so, please explain.

No. However the attainment of a PILOT Agreement to phase in taxes on the new construction assessed value along with the Sales Tax Exemption for Project Materials and equipment will save significant monies that will likely be needed to ensure cash flow stability in the first months and years after project completion.

- 6. Will the Project meet current zoning requirements at its proposed location?

yes  no

a) What is the present zoning? Business District

b) What zoning is required?

The Town of Nichols does not have any Site Plan review procedures and the Proposal was acceptable for current zoning with respect to land use. A height (area) variance was required with respect to the proposed Hotel. An area variance is also required for the proposed second floor office space expansion.

The Town of Nichols Zoning Ordinance, Supplementary Regulations states; "6. Height Regulations: No building or structure of any type in any district or zone shall exceed thirty-five (35) feet in height, except by special permit granted by the Town of Nichols Zoning Board of Appeals."

c) If a change of zoning is required, please provide the details regarding, and described the status of, any change of zoning request.

A request for the above mentioned variance waivers have been requested.

- 7. Is the Project site in an Agricultural District, in a primarily agricultural area, or currently in agricultural use? If yes, provide details.

No. However, Tioga Downs has received approval from the Racing & Wagering Division of the NYS Gaming Commission to utilize the western racetrack infield agricultural production.

\_\_\_\_\_  
\_\_\_\_\_

8. Is the Project site in a Historic District or does it contain any buildings of historical significance? If yes, describe.

No.

---

---

---

9. Are any federal or state wetlands or any other environmentally critical or sensitive areas on or contiguous to the Project site? If yes, describe.

No.

---

---

---

10. Does the Project site contain any underground or above ground storage tanks or wells, whether or not currently in use? If yes, describe.

Yes, , the project site contains fuel oil, above- and below grade, and above grade diesel storage tanks for heating and stand-by power purposes.

11. List any state, local or federal consents or approvals (e.g., site plan approval, special use permit, environmental permits, certificates of need) that will be necessary in connection with the Project and describe the status of each such consent or approval.

The project will require amended SPDES permits for both their existing wastewater treatment facility and stormwater permit with relation to construction activity. The Project is also subject to the State Environmental Quality Review Act. The New York State Department of Health - Environmental Health is also involved for project components related to kitchens, pools and improvements to the public water supply.

- I. Does the Owner or the User (or any related person) currently lease the Project site?

yes  no

- J. Does the Owner or the User (or any related person) now own the Project site?

yes  no

1. If so, indicate:
  - a) Date of purchase September, 2005
  - b) Purchase price \_\_\_\_\_
  - c) Balance of existing mortgage \$12,300,000
  - d) Holder of mortgage FS Investment Corp
  - e) Special conditions Two (2) Financial Ratios, one (1) Capital spending cap.
  
2. If not, does the Owner (or any related person) have an option or a contract to purchase the site and/or any buildings on the site?  
 yes  no
  
3. If so, please attach a copy of the option or contract and indicate:
  - a) Date signed N/A
  - b) Purchase price \_\_\_\_\_
  - c) Proposed settlement/closing date \_\_\_\_\_

- K. Has an Environmental Audit or other examination of the environmental condition of the Project site been prepared within the last five years?
- yes  no
- If yes, please attach a copy.
- (Prior completed SEQR attached)

V. PROJECT COSTS

- A. Give an accurate estimate of the cost of each of the following items, specifying in each instance the best estimate of the portion of such costs to be financed with tax-exempt or taxable bond proceeds, if applicable:

**(Schedule V-A is attached)**

**TOTAL COST AND  
% BOND FINANCED**

LAND* .....	_____	(0 %)
<b>ACQUISITION AND REHABILITATION COSTS:</b>		
Existing Building** .....	_____	(0 %)
Cost of Rehabilitation .....	_____	(0 %)
<b>COST OF NEW CONSTRUCTION:</b>		
Construction of New Building .....	_____	(0 %)
New Additions to or Expansions of Existing of Existing Building .....	_____	(0 %)
ENGINEERING/ARCHITECTURAL FEES .....	_____	(0 %)
MANUFACTURING EQUIP. TO BE INSTALLED...	_____	(0 %)
OTHER EQUIP. TO BE INSTALLED .....	_____	(0 %)
LEGAL FEES (Bank, Bond, Agency & Company Counsel) .....	_____	(0 %)
FINANCIAL CHARGES (specify) .....	_____	(0 %)
AGENCY FEES .....	_____	(0 %)
OTHER FEES/CHARGES, etc. (specify):		
_____	_____	(0 %)
_____	_____	(0 %)
<b>TOTAL PROJECT COSTS:</b>	\$ _____	(0 %)

**AMOUNT OF BOND REQUESTED (if applicable):** \$ \_\_\_\_\_

\* **APPLICANTS FOR TAX-EXEMPT FINANCING NOTE:** If acquiring land, please note that federal law prohibits the use of 25% or more of tax-exempt bond proceeds for the purchase of land.

\*\* **APPLICANTS FOR TAX-EXEMPT FINANCING NOTE:** If acquiring existing buildings, please note that federal law prohibits the acquisition of existing buildings with



## Schedule V - A Project Costs

	<u>6/22/2015 Construction Budget</u>	<u>Other Fees</u>	<u>% of Budget</u>
<b>Land</b>		\$ 3,130	
<b>Acquisition/Rehab:</b>			
Existing Building	\$ -		0.0%
Cost of Rehab	\$ 698,063		0.5%
<b>New Construction:</b>			
New Building - Excluding Clubhouse	\$ 77,246,199		53.4%
Additions/Expansions	\$ 5,873,738		4.1%
<b>Engineering/Architect fees</b>	\$ 4,960,000		3.4%
<b>Mfg Equip. to be Installed</b>	\$ -		0.0%
<b>Other Equip to be Installed</b>	\$ 29,255,000		20.2%
<b>IDA Sale/Leaseback Transaction Fee</b>		\$ 1,000,000	
<b>Legal Fees</b> (Bank, Bond, Agency, etc)		\$ 12,500	
<b>Financial Charges</b>		\$ 50,000,000	
<b>Other Fees/Charges:</b>			
License & Fees	\$ 21,000,000		14.5%
Permits	\$ 40,000		0.0%
Pre-Opening Expenses	\$ 500,000		0.3%
Contingencies	\$ 2,000,000		1.4%
Budget Reserve	\$ 3,000,000		2.1%
<hr/>			
<b>Total Project Costs</b>	<b>\$ 144,573,000</b>	<b>\$ 51,015,630</b>	
Golf Course Clubhouse	\$ 3,000,000		
Note: Not included in PILOT			
<hr/>			
<b>Total Development Budget</b>	<b>\$ 147,573,000</b>	<b>\$ 51,015,630</b>	

Figure 4: Projected Development Budget for Tioga Downs Casino Resort

	Total	Of which:			
		County	Region	NY State	Other/NA
<b>Hard Construction:</b>					
Building Construction	\$75,193,000	\$30,077,200	\$71,433,350	\$75,193,000	\$0
Infield Events Center	\$125,000	\$50,000	\$118,750	\$125,000	\$0
Outdoor Pool and Water Slide	\$1,500,000	\$600,000	\$1,425,000	\$1,500,000	\$0
Site work	\$10,000,000	\$4,000,000	\$9,500,000	\$10,000,000	\$0
<b>Construction Sub-total</b>	<b>\$86,818,000</b>	<b>\$34,727,200</b>	<b>\$82,477,100</b>	<b>\$86,818,000</b>	<b>\$0</b>
<b>Soft Costs:</b>					
Professional Fees and Expenses	\$4,960,000	\$783,761	\$783,761	\$998,206	\$3,961,794
Signage	\$250,000	\$0	\$0	\$250,000	\$0
FF&E	\$4,475,000	\$1,342,500	\$3,580,000	\$4,027,500	\$447,500
OS&E	\$2,530,000	\$1,138,500	\$2,024,000	\$2,277,000	\$253,000
Gaming FF&E	\$22,000,000	\$0	\$0	\$0	\$22,000,000
Reimbursements	\$3,000,000	\$0	\$0	\$0	\$3,000,000
Contingencies*	\$2,000,000	\$0	\$0	\$0	\$2,000,000
<b>Soft cost subtotal</b>	<b>\$39,215,000</b>	<b>\$3,264,761</b>	<b>\$6,387,761</b>	<b>\$7,552,706</b>	<b>\$31,662,294</b>
<b>Fees and Pre-opening expenses:</b>					
Licenses and fees**	\$21,000,000	\$0	\$0	\$0	\$21,000,000
Permits	\$40,000	\$0	\$0	\$0	\$40,000
Pre-opening expenses	\$500,000	\$250,000	\$500,000	\$500,000	\$0
<b>Fee and Pre-opening Sub-total:</b>	<b>\$21,540,000</b>	<b>\$250,000</b>	<b>\$500,000</b>	<b>\$500,000</b>	<b>\$21,040,000</b>
<b>Grand total (n.i. financing costs)</b>	<b>\$147,573,000</b>	<b>\$38,241,961</b>	<b>\$89,364,861</b>	<b>\$94,870,706</b>	<b>\$52,702,294</b>

\*We do not calculate the economic impacts of monies received by the State or the State Gaming Commission for the one-time license fee expense, thus these dollars are classified as not applicable (N/A) for the impact assessment. Contingencies by definition are dollars that may not be spent and therefore are also not included in our impact modeling. County, Region and Statewide shares estimated by GGH are based on discussions with trade representatives regarding availability of labor and materials.

**Methodology**

The economic impact of the casino resort will be felt in two phases. The first phase is the construction impact, analyzed in this section of the report. These impacts are temporal in that they only are experienced during the construction phase of the project, with some ripple effects in the local economy for a short period after construction is completed. Ripple effects are essentially a multiplier effect, meaning that money earned by construction employees and materials suppliers will then be re-spent in the local economy, further benefiting other

tax-exempt bond proceeds unless the rehabilitation expenses to be incurred with respect to the building within three years are equal to or greater than 15% of the portion of the cost of acquiring the building that is financed with tax-exempt bond proceeds. Rehabilitation does not include any amount expended on new construction (additions or expansions). These provisions do not apply to "Civic Facilities" for 501(c)(3) organizations.

B. Method of financing costs:

	<u>AMOUNT</u>	<u>TERM</u>
1. Tax-exempt bond financing	\$ _____	_____ years
2. Taxable bond Financing	\$ _____	_____ years
3. IDA Sale/Leaseback with conventional financing***	\$ <u>Amt. Pending</u>	<u>20</u> years
4. IDA Sale/Leaseback with Owner/User Financing	\$ _____	_____ years
5. JDA or other governmental funding***	\$ _____	_____ years
6. Other loans***	\$ _____	_____ years
7. Company's/Owner's equity contribution	\$ <u>Amt. Pending</u>	

TOTAL PROJECT COSTS:

\$ 144,573,000
----------------

\*\*\* Copies of all commitments must be submitted to the Agency before drafting of any bond or transaction documents can begin.

C. **APPLICANTS FOR TAX-EXEMPT FINANCING:** Have any of the above costs, which are to be reimbursed out of tax-exempt bond proceeds, been paid or incurred (including contracts of sale or purchase orders) as of the date of this application?

yes

no

If so, please give particulars, including dates paid or incurred on a separate sheet.

- D. **APPLICANTS FOR TAX-EXEMPT FINANCING:** Are costs of working capital, moving expenses, work in progress or stock in trade included in the proposed uses of the tax-exempt bond proceeds? Give details.

N/A

---

---

---

- E. Will any of the funds to be borrowed through the Agency be used to repay or refinance an existing mortgage, outstanding loan or outstanding bond issue? Give details.

N/A

---

---

---

- F. Has the Owner made any arrangements for the marketing or the purchase of the bond or bonds? If so, indicate with whom and provide copies of any commitments and/or term sheets.

N/A

---

---

---

VI. MEASURES OF GROWTH AND BENEFITS

- A. Please complete the chart below by indicating on line #1 the present number of full-time or equivalent employees and the annual payroll for all current facilities of the User. On line #2, please provide the information with respect to Tioga County facilities only. (If no facilities are currently in Tioga County, indicate "0.") On lines #3 and #4, provide projections of employment and payroll at the proposed Project in Tioga County for the first and second year after the Project's completion:

		<u>Full Time or Equivalent Employees</u>	<u>Annual Payroll \$</u>
1.	PRESENT (All Current Facilities)	<u>310</u>	<u>\$12,600,000</u>
2.	PRESENT (Tioga County Only)	<u>310</u>	<u>\$12,600,000</u>
3.	FIRST YEAR (Tioga County Only)	<u>410</u>	<u>\$16,625,000</u>
4.	SECOND YEAR (Tioga County Only)	<u>460</u>	<u>\$18,850,000</u>

B. What, if any, will be the expected increase in the annual dollar amount of sales or business activity?

\$ Range: 42,000,000 - \$57,000,000

C. Describe, if applicable, other benefits anticipated as a result of this Project, including but not limited to job retention.

Retain 555 employees, creating up to 562 new jobs in a depressed economy, 585 man-years of employment from construction jobs for local contractors and skilled labor and increased tourism into Tioga County and the surrounding region. Tioga County, as host community would see increases State Aid.

VII. PROJECT CONSTRUCTION SCHEDULE

A. What is the proposed date for commencement of construction or acquisition of the Project? October 20<sup>th</sup>, 2015

B. Give an accurate estimate of the time schedule to complete the Project and when the first use of the Project is expected to occur (use additional sheets if necessary).

Casino Expansion and Gaming Floor Conversion completed by May, 2016. The Hotel, the Events Center/Amenities Building, New Restaurants and Infield Concert Venue completed by June, 2017.

C. At what time or times and in what amount or amounts is it estimated that funds will be required? Please provide your most accurate estimate.

N/A

VIII. WHAT TYPE OF FINANCIAL ASSISTANCE IS THE APPLICANT REQUESTING?

- Standard PILOT
- Deviation from Standard PILOT

If Deviation from Standard PILOT is requested, please explain \_\_\_\_\_

Tioga Downs seeks a 20 year PILOT, with a Sales Tax Exemption on New Materials and FF&E, and phasing in the tax liability increase on the new construction assessed value by 5 % per year.

IX. ATTACH THE FOLLOWING FINANCIAL INFORMATION OF THE OWNER AND THE USER


- A. Financial statements for last two fiscal years (unless included in the Owner's or User's annual report). (2014 and 2013 Audited Financial Statements attached as pg 20.1 )
- B. Owner's and User's annual reports (or Form 10-Ks) for the two most recent fiscal years.
- C. Quarterly reports (Form 10-Qs) and current reports (Form 8-Ks ) since the most recent annual report, if any.
- D. In addition, if applicable, please attach the financial information described above in items A, B, and C of any expected guarantor of a proposed bond issue other than the Owner or the User.
- E. Upon the request of the Applicant, the Agency will review the information submitted pursuant to this Section VIII and return all copies to the Applicant within two weeks after the inducement date. Please indicate whether you require the information to be returned.

yes

no

BY SIGNING THIS APPLICATION, I CERTIFY THAT I HAVE READ AND UNDERSTOOD THE PROJECT POLICY MANUAL PROVIDED TO ME BY THE IDA AND AGREE TO COMPLY WITH THE TERMS AND CONDITIONS SET FORTH THEREIN.

SIGNATURE OF PERSON COMPLETING APPLICATION



Name: Jay Dinga  
 Title: Director of Business Development  
 Company: Tioga Downs Racetrack, LLC  
 Date of Application: 9/25/15

**Schedule IX – A**  
**Audited Financial Statements**



## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
**American Racing and Entertainment, LLC and Subsidiaries**

### *Report on the Financial Statements*

We have audited the accompanying consolidated balance sheets of American Racing and Entertainment, LLC and Subsidiaries as of December 31, 2014 and 2013, and the related statements of operations, changes in equity and cash flows for the years then ended, and the related notes to the consolidated financial statements.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.





We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of American Racing and Entertainment, LLC and Subsidiaries as of December 31, 2014 and 2013, and the consolidated results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The supplemental consolidating balance sheet and consolidating statement of operations on pages 32 through 35 are presented for purposes of additional analysis and are not a required part of the basic consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has not been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and accordingly, we express no opinion on it.

*Marcum LLP*

Melville, NY  
May 21, 2015

**AMERICAN RACING AND ENTERTAINMENT, LLC  
AND SUBSIDIARIES**

**CONSOLIDATING BALANCE SHEET (UNAUDITED)**

**DECEMBER 31, 2014**

	TDR and AR-TD	VDA, MSR, MSD, and AR-VD	ARE and Eliminations	Consolidated American Racing and Entertainment
<b>Assets</b>				
<b>Current Assets</b>				
Cash and cash equivalents	\$ 2,327,986	\$ 1,701,194	\$ 1,391,378	\$ 5,420,558
Restricted cash	5,334,335	1,455,991	11,567	6,801,893
Accounts receivable, net	927,172	455,185	13,448	1,395,805
Receivable due from related party	--	--	105,200	105,200
Inventories	149,380	242,480	--	391,860
Prepaid expenses and other current assets	381,219	360,576	534,822	1,276,617
<b>Total Current Assets</b>	<u>9,120,092</u>	<u>4,215,426</u>	<u>2,056,415</u>	<u>15,391,933</u>
<b>Property and Equipment, Net</b>	<u>45,529,013</u>	<u>42,066,049</u>	<u>15,341</u>	<u>87,610,403</u>
<b>Other Assets</b>				
Intangible assets	--	13,805,000	--	13,805,000
Due from horsemen's association	300,255	--	--	300,255
Deferred finance costs, net	--	--	81,346	81,346
<b>Total Other Assets</b>	<u>300,255</u>	<u>13,805,000</u>	<u>81,346</u>	<u>14,186,601</u>
<b>Total Assets</b>	<u>\$ 54,949,360</u>	<u>\$ 60,086,475</u>	<u>\$ 2,153,102</u>	<u>\$ 117,188,937</u>

*See independent auditors' report.*

**AMERICAN RACING AND ENTERTAINMENT, LLC  
AND SUBSIDIARIES**

**CONSOLIDATING BALANCE SHEET (UNAUDITED)**

**DECEMBER 31, 2014**

	TDR and AR-TD	VDA, MSR, MSD, and AR-VD	ARE and Eliminations	Consolidated American Racing and Entertainment
<b>Liabilities and Equity (Deficiency)</b>				
<b>Current Liabilities</b>				
Notes payable	\$ 10,507	\$ --	\$ 24,125,327	\$ 24,135,834
Notes payable-related party	--	--	1,450,000	1,450,000
Accounts payable and accrued expenses	6,610,773	4,806,063	200,001	11,616,837
Capital awards liability	3,576,660	555,323	--	4,131,983
Accrued gaming liability	245,235	160,407	--	405,642
Capital leases	39,156	15,678	--	54,834
<b>Total Current Liabilities</b>	<u>10,482,331</u>	<u>5,537,471</u>	<u>25,775,328</u>	<u>41,795,130</u>
<b>Other Liabilities</b>				
Notes payable, less current portion	28,188	--	20,500,000	20,528,188
Notes payable-related party	--	9,900,000	--	9,900,000
Inter-company	22,552,658	56,650,379	(79,203,037)	--
Deferred revenue - capital awards	11,573,473	9,401,953	--	20,975,426
Deferred income taxes	(15,000)	6,635,000	--	6,620,000
Capital leases, less current portion	133,002	56,401	--	189,403
<b>Total Other Liabilities</b>	<u>34,272,321</u>	<u>82,643,733</u>	<u>(58,703,037)</u>	<u>58,213,017</u>
<b>Total Liabilities</b>	<u>44,754,652</u>	<u>88,181,204</u>	<u>(32,927,709)</u>	<u>100,008,147</u>
<b>Total Equity (Deficiency)</b>				
Controlling interest	10,249,813	(28,065,505)	35,080,811	17,265,119
Non-controlling interest - in subsidiaries	(55,105)	(29,224)	--	(84,329)
<b>Total Equity (Deficiency)</b>	<u>10,194,708</u>	<u>(28,094,729)</u>	<u>35,080,811</u>	<u>17,180,790</u>
<b>Total Liabilities and Equity (Deficiency)</b>	<u>\$ 54,949,360</u>	<u>\$ 60,086,475</u>	<u>\$ 2,153,102</u>	<u>\$ 117,188,937</u>

*See independent auditors' report.*

**AMERICAN RACING AND ENTERTAINMENT, LLC  
AND SUBSIDIARIES**

**CONSOLIDATING STATEMENT OF OPERATIONS (UNAUDITED)**

**FOR THE YEAR ENDED DECEMBER 31, 2014**

	TDR and AR-TD	VDA, MSR, MSD, and AR-VD	ARE and Eliminations	Consolidated American Racing and Entertainment
<b>Revenues</b>				
Gaming	\$ 55,913,983	\$ 41,519,695	\$ --	\$ 97,433,678
Racing	1,143,426	3,106,707	--	4,250,133
Food and beverage	5,974,358	5,415,481	--	11,389,839
Lodging	--	2,095,021	--	2,095,021
Other	2,287,763	1,260,601	91,809	3,640,173
<b>Total Revenues</b>	<b>65,319,530</b>	<b>53,397,505</b>	<b>91,809</b>	<b>118,808,844</b>
Less: promotional allowances	(3,103,729)	(2,650,917)	--	(5,754,646)
<b>Net Revenues</b>	<b>62,215,801</b>	<b>50,746,588</b>	<b>91,809</b>	<b>113,054,198</b>
<b>Operating Expenses</b>				
Gaming	42,945,921	30,759,041	--	73,704,962
Racing	2,499,677	4,322,428	--	6,822,105
Food and beverage	5,255,922	5,028,839	--	10,284,761
Lodging	--	832,544	--	832,544
Other	285,755	40,004	--	325,759
Selling, general and administrative	6,481,201	6,852,616	--	13,333,817
Pre-opening and start up-expenses	2,395,816	--	--	2,395,816
Depreciation	2,091,592	1,743,273	30,680	3,865,545
<b>Total Operating Expenses</b>	<b>61,955,884</b>	<b>49,578,745</b>	<b>30,680</b>	<b>111,565,309</b>
<b>Income (Loss) From Operations</b>	<b>259,917</b>	<b>1,167,843</b>	<b>61,129</b>	<b>1,488,889</b>
<b>Other Income (Expense)</b>				
Interest income	1,883	1,878	--	3,761
Interest expense	(5,569)	(1,005,651)	(4,233,099)	(5,244,319)
<b>Total Other Expense, Net</b>	<b>\$ (3,686)</b>	<b>\$ (1,003,773)</b>	<b>\$ (4,233,099)</b>	<b>\$ (5,240,558)</b>

*See independent auditors' report.*

**AMERICAN RACING AND ENTERTAINMENT, LLC  
AND SUBSIDIARIES**

**CONSOLIDATING STATEMENT OF OPERATIONS (UNAUDITED) (CONTINUED)**

**FOR THE YEAR ENDED DECEMBER 31, 2014**

	TDR and AR-TD	VDA, MSR, MSD, and AR-VD	ARE and Eliminations	Consolidated American Racing and Entertainment
<b>Income (Loss) Before Income Taxes and Net (Loss) Attributable to Non- Controlling Interest in Subsidiaries</b>	\$ 256,231	\$ 164,070	\$ (4,171,970)	\$ (3,751,669)
<b>Income Tax (Benefit)</b>	<u>(4,052)</u>	<u>(837,948)</u>	<u>--</u>	<u>(842,000)</u>
<b>Income (Loss) Before Net Loss Attributable to Non-Controlling Interest in Subsidiaries</b>	260,283	1,002,018	(4,171,970)	(2,909,669)
<b>Net Income (Loss) Attributable to Non-Controlling Interest in Subsidiaries</b>	<u>(2,879)</u>	<u>95,874</u>	<u>--</u>	<u>92,995</u>
<b>Net Income (Loss)</b>	<u>\$ 263,162</u>	<u>\$ 906,144</u>	<u>\$ (4,171,970)</u>	<u>\$ (3,002,664)</u>

*See independent auditors' report.*

**AMERICAN RACING AND ENTERTAINMENT, LLC  
AND SUBSIDIARIES**

**CONSOLIDATING BALANCE SHEET (UNAUDITED)**

**DECEMBER 31, 2013**

	TDR and AR-TD	VDA, MSR, MSD, and AR-VD	ARE and Eliminations	Consolidated American Racing and Entertainment
<b>Assets</b>				
<b>Current Assets</b>				
Cash and cash equivalents	\$ 2,534,551	\$ 1,876,779	\$ 618,329	\$ 5,029,659
Restricted cash	10,371,121	1,658,757	14,033	12,043,911
Accounts receivable, net	309,827	376,316	10,888	697,031
Receivable due from related party	--	--	73,203	73,203
Inventories	100,800	193,065	--	293,865
Prepaid expenses and other current assets	337,713	254,713	607,547	1,199,973
<b>Total Current Assets</b>	<u>13,654,012</u>	<u>4,359,630</u>	<u>1,324,000</u>	<u>19,337,642</u>
<b>Property and Equipment, Net</b>	<u>36,546,609</u>	<u>39,093,892</u>	<u>46,021</u>	<u>75,686,522</u>
<b>Other Assets</b>				
Intangible assets	--	13,805,000	--	13,805,000
Due from horsemen's association	288,967	--	--	288,967
Deferred finance costs, net	--	--	86,826	86,826
<b>Total Other Assets</b>	<u>288,967</u>	<u>13,805,000</u>	<u>86,826</u>	<u>14,180,793</u>
<b>Total Assets</b>	<u>\$ 50,489,588</u>	<u>\$ 57,258,522</u>	<u>\$ 1,456,847</u>	<u>\$ 109,204,957</u>

*See independent auditors' report.*

**AMERICAN RACING AND ENTERTAINMENT, LLC  
AND SUBSIDIARIES**

**CONSOLIDATING BALANCE SHEET (UNAUDITED)**

**DECEMBER 31, 2013**

	TDR and AR-TD	VDA, MSR, MSD, and AR-VD	ARE and Eliminations	Consolidated American Racing and Entertainment
<b>Liabilities and Equity (Deficiency)</b>				
<b>Current Liabilities</b>				
Notes payable	\$ 9,888	\$ --	\$ 23,368,205	\$ 23,378,093
Accounts payable and accrued expenses	5,219,818	3,265,869	267,103	8,752,790
Capital awards liability	8,108,862	878,736	--	8,987,598
Accrued gaming liability	255,831	161,747	--	417,578
Capital leases	61,582	--	--	61,582
<b>Total Current Liabilities</b>	<u>13,655,981</u>	<u>4,306,352</u>	<u>23,635,308</u>	<u>41,597,641</u>
<b>Other Liabilities</b>				
Notes payable, less current portion	38,695	--	16,800,000	16,838,695
Notes payable-related party	--	9,900,000	--	9,900,000
Inter-company	21,450,093	56,931,149	(78,381,242)	--
Deferred revenue - capital awards	5,292,662	7,726,769	--	13,019,431
Deferred income taxes	(13,000)	7,491,000	--	7,478,000
Capital leases, less current portion	130,732	--	--	130,732
<b>Total Other Liabilities</b>	<u>26,899,182</u>	<u>82,048,918</u>	<u>(61,581,242)</u>	<u>47,366,858</u>
<b>Total Liabilities</b>	<u>40,555,163</u>	<u>86,355,270</u>	<u>(37,945,934)</u>	<u>88,964,499</u>
<b>Total Equity (Deficiency)</b>				
Controlling interest	9,986,651	(28,971,650)	39,402,781	20,417,782
Non-controlling interest - in subsidiaries	(52,226)	(125,098)	--	(177,324)
<b>Total Equity (Deficiency)</b>	<u>9,934,425</u>	<u>(29,096,748)</u>	<u>39,402,781</u>	<u>20,240,458</u>
<b>Total Liabilities and Equity (Deficiency)</b>	<u>\$ 50,489,588</u>	<u>\$ 57,258,522</u>	<u>\$ 1,456,847</u>	<u>\$ 109,204,957</u>

*See independent auditors' report.*

**AMERICAN RACING AND ENTERTAINMENT, LLC  
AND SUBSIDIARIES**

**CONSOLIDATING STATEMENT OF OPERATIONS (UNAUDITED)**

**FOR THE YEAR ENDED DECEMBER 31, 2013**

	TDR and AR-TD	VDA, MSR, MSD, and AR-VD	ARE and Eliminations	Consolidated American Racing and Entertainment
<b>Revenues</b>				
Gaming	\$ 59,591,747	\$ 43,707,317	\$ --	\$ 103,299,064
Racing	1,159,000	3,305,975	--	4,464,975
Food and beverage	6,191,461	5,306,274	--	11,497,735
Lodging	--	2,052,417	--	2,052,417
Other	2,088,959	1,317,574	--	3,406,533
<b>Total Revenues</b>	69,031,167	55,689,557	--	124,720,724
Less: promotional allowances	(3,733,305)	(2,853,204)	--	(6,586,509)
<b>Net Revenues</b>	65,297,862	52,836,353	--	118,134,215
<b>Operating Expenses</b>				
Gaming	45,781,696	32,366,452	--	78,148,148
Racing	2,521,233	4,577,989	--	7,099,222
Food and beverage	5,377,203	4,809,807	--	10,187,010
Lodging	--	823,131	--	823,131
Other	247,898	30,900	--	278,798
Selling, general and administrative	5,032,317	6,654,062	--	11,686,379
Pre-opening and start up-expenses	--	--	--	--
Depreciation	1,989,783	1,769,986	31,197	3,790,966
<b>Total Operating Expenses</b>	60,950,130	51,032,327	31,197	112,013,654
<b>Income (Loss) From Operations</b>	4,347,732	1,804,026	(31,197)	6,120,561
<b>Other Income (Expense)</b>				
Interest income	3,696	3,874	--	7,570
Interest expense	(9,709)	(1,003,748)	(4,084,694)	(5,098,151)
<b>Total Other Expense, Net</b>	\$ (6,013)	\$ (999,874)	\$ (4,084,694)	\$ (5,090,581)

*See independent auditors' report.*



**AMERICAN RACING AND ENTERTAINMENT, LLC  
AND SUBSIDIARIES**

**CONSOLIDATING STATEMENT OF OPERATIONS (UNAUDITED) (CONTINUED)**

**FOR THE YEAR ENDED DECEMBER 31, 2013**

	TDR and AR-TD	VDA, MSR, MSD, and AR-VD	ARE and Eliminations	Consolidated American Racing and Entertainment
<b>Income (Loss) Before Income Taxes and Net (Loss) Attributable to Non- Controlling Interest in Subsidiaries</b>	\$ 4,341,719	\$ 804,152	\$ (4,115,891)	\$ 1,029,980
<b>Income Tax (Benefit)</b>	<u>6,000</u>	<u>(193,000)</u>	<u>--</u>	<u>(187,000)</u>
<b>Income (Loss) Before Net Loss Attributable to Non-Controlling Interest in Subsidiaries</b>	4,335,719	997,152	(4,115,891)	1,216,980
<b>Net Income Attributable to Non- Controlling Interest in Subsidiaries</b>	<u>6,717</u>	<u>61,553</u>	<u>--</u>	<u>68,270</u>
<b>Net Income (Loss)</b>	<u>\$ 4,329,002</u>	<u>\$ 935,599</u>	<u>\$ (4,115,891)</u>	<u>\$ 1,148,710</u>

*See independent auditors' report.*

**CERTIFICATION**

Jay Dinga (name of representative of entity submitting application, or name of individual submitting application) deposes and says that s/he (choose and complete one of the following two options) (i) is the Director of Business Development (title) of Tioga Downs Racetrack, LLC (entity name), the entity named in the attached application, or (ii) is the individual named in the attached application; that s/he has read the foregoing application and knows the contents thereof; and that the same is true to his/her knowledge.

Deponent further says that s/he is duly authorized to make this certification on behalf of her/himself or on behalf of the entity named in the attached application. The grounds of deponent's belief relative to all matters in said application which are not stated upon his/her own personal knowledge are investigations which deponent has caused to be made concerning the subject matter of this application as well as, if deponent is not an individual applicant, information acquired by deponent in the course of his/her duties in connection with said entity and from the books and papers of said entity.

As (i) the representative of said entity, or (ii) the individual applicant (such entity or individual applicant hereinafter referred to as the "Applicant"), deponent acknowledges and agrees that the Applicant shall be and is responsible for all costs incurred by the Tioga County Industrial Development Agency (hereinafter referred to as the "Agency") acting on behalf of the Applicant in connection with this application and all matters relating to the issuance of bonds or the provision of financial assistance to which this application relates. If, for any reason whatsoever, the Applicant fails to conclude or consummate necessary negotiations or fails to act within a reasonable or specified period of time to take reasonable, proper or requested action or withdraws, abandons, cancels or neglects the application, then upon presentation of an invoice, the Applicant shall pay to the Agency, its agents or assigns, all actual costs incurred with respect to the application up to that date and time, including fees to bond counsel or transaction counsel for the Agency and fees of general counsel for the Agency. Upon the successful conclusion of the transaction or sale of the bond issue contemplated herein, the Applicant shall pay to the Agency an administrative fee set by the Agency in accordance with its fee schedule in effect on the date of the foregoing application, which amount is payable at closing. The Applicant understands that the Agency's bond counsel's fees and general counsel's fees are considered issuance expenses and, therefore, can be paid or reimbursed out of the proceeds of any resultant tax-exempt bond issue only up to an aggregate amount not exceeding 2% of the face amount of such tax-exempt issue.



Name: Jay Dinga  
Title: Director of Business Development

Sworn to before me this 25  
day of September, 2015

Dorothy A. Gerould  
(Seal)

NEW YORK STATE FINANCIAL REPORTING  
REQUIREMENTS FOR INDUSTRIAL DEVELOPMENT AGENCIES


Please be advised that the New York General Municipal Law imposes certain reporting requirements on IDAs and recipients of IDA financial assistance. Of particular importance to IDA applicants is Section 859 (copy attached). This section requires IDAs to transmit financial statements within 90 days following the end of an Agency's fiscal year (Tioga County IDA FY is calendar), prepared by an independent, certified public accountant, to the New York State Comptroller, the Commissioner of the New York State Department of Economic Development and the governing body of the municipality for whose benefit the Agency was created (Tioga County). These audited financial statements shall include supplemental schedules listing the following information:

1. All straight-lease ("sale-leaseback") transactions and whether or not they are obligations of the Agency.
2. All bonds and notes issued, outstanding or retired during the period and whether or not they are or were obligations of the Agency.
3. All new bond issues shall be listed and for each new bond issue, the following information is required:
  - a. Name of the project financed with the bond proceeds.
  - b. Whether the project occupant is a not-for-profit corporation.
  - c. Name and address of each owner of the project.
  - d. The estimated amount of tax exemptions authorized for each project.
  - e. Purpose for which the bond was issued.
  - f. Bond interest rate at issuance and, if variable, the range of interest rates applicable.
  - g. Bond maturity date.
  - h. Federal tax status of the bond issue.
  - i. Estimate of the number of jobs created and retained for the project.
4. All new straight lease transactions shall be listed and for each new straight lease transaction, the following information is required:
  - a. Name of the project.
  - b. Whether the project occupant is a not-for-profit corporation.
  - c. Name and address of each owner of the project.
  - d. The estimated amount of tax exemptions authorized for each project.
  - e. Purpose for which each transaction was made.
  - f. Method of financial assistance utilized for each project, other than the tax exemptions claimed by the project.
  - g. Estimate of the number of jobs created and retained for the project.

Also of importance to IDA applicants is Section 874(8) of the General Municipal Law (copy

attached), which requires agents (i.e., project owners and/or occupants) of the Agency to file an annual statement with the State Department of Taxation and Finance, of the value of all sales tax exemptions claimed by such agents or their agents, including but not limited to consultants or subcontractors, who claim exemption from sales tax by virtue of the Agency's involvement in a transaction. The penalty for failure to file the statement is removal of authority to act as agent of the Agency.

Please sign below to indicate that you have read and understood the above.

  
\_\_\_\_\_  
Name: Jay Dinga  
\_\_\_\_\_  
Title: Director of Business Development  
\_\_\_\_\_  
Company: Tioga Downs Racetrack, LLC  
\_\_\_\_\_  
Date: 9/25/15  
\_\_\_\_\_

RIDER A

TO BE COMPLETED BY ALL APPLICANTS FOR FINANCIAL ASSISTANCE FOR  
RETAIL PROJECTS OR PROJECTS WITH A RETAIL COMPONENT:

1. What percentage of the total Project cost will be used to finance premises that will be primarily used in making retail sales of goods or services to customers who personally visit the premises?

Approximately 35-40%, not including the casino floor expansion

---

---

2. If the Agency does not provide the financial assistance requested in this application, will the Applicant or the Project User (if different from the Applicant) locate some or all of the jobs attributable to the Project outside New York State? If so, describe.

Without the PILOT Agreement as described, Tioga Downs would need to reduced planned expansion and new construction budgets back by 8-10%, potentially jeopardizing the award of the final casino license in Upstate New York.

3. Will the proposed Project make available to residents of the city, town or village within which the Project will be located goods or services that are not otherwise reasonably available to such residents? If so, describe.

Yes. The local and regional residents will experience two (2) New York City - name restaurants, family outdoor entertainment features such the Waterslide attraction, the new hotel, the pool side cabana and the 12,000+ person outdoor concert venue, allowing Tioga Downs to draw top ranked acts, will all bring new exciting experiences for most people in the Southern Tier Region.

TO BE COMPLETED BY ALL APPLICANTS FOR TAX-EXEMPT FINANCING

(Note: Bond Counsel also will require applicant to complete a Bond Counsel Questionnaire to determine whether the Project qualifies, in whole or in part, for tax-exempt financing. The information requested in this Rider is for initial screening and structuring purposes.)

A. List capital expenditures with respect to this Project:

	<u>Past 3 Years</u>	<u>Next 3 Years</u>	<u>Total</u>
Land	\$	\$	\$
Buildings			
Equipment			
Engineering			
Architecture			
Research and development			
Interest during construction			
Other (please explain)			

If an expenditure may be either treated as a capital expenditure or may be currently expensed, for these purposes it must be treated as a capital expenditure.

Research and development expenses (other than in-house wages and supplies) with respect to a facility must be treated as capital expenditures with respect to products to be produced at the facility and with respect to equipment to be used there. Research and development expenses allocable to the project under the foregoing rule must be treated as capital expenditures with respect to it even though the research and development work takes place in a different municipality or state.

Costs of molds, etc., to be used at a facility are capital expenditures even if paid by the customer.

Costs of Equipment to be moved to a facility are capital expenditures even if the purchase and initial use of the equipment occurred outside the municipality.

B. List capital expenditures with respect to other facilities of the Company or any related corporation or person, if the facilities are located in the same municipality.

	<u>Past 3 Years</u>	<u>Next 3 Years</u>	<u>Total</u>
Land	\$	\$	\$
Buildings			
Equipment			
Engineering			
Architecture			
Research and development			
Interest during construction			
Other (please explain)			