

## **AGENCY ADMINISTRATIVE FEES POLICY**

This Agency Administrative Fees Policy was adopted by the Board of Directors of Yates County Industrial Development Agency, a public benefit corporation established under the laws of the State of New York, on this 18<sup>th</sup> day of March, 2020.

### **PURPOSE AND AUTHORITY**

The purpose of this policy is to establish such procedures relating to the imposition of fees of the Yates County Industrial Development Agency (the “Agency”) in connection with Agency Projects. An Agency Project is defined as any “project” (as defined in Section 854(4) of the Act) that is provided “financial assistance” (as defined in Section 854(14) of the Act) by the Agency.

### **TYPES OF FEES**

The types of fees imposed by the Agency in connection with Agency Projects shall consist of (A) an application fee and (B) an administrative fee.

### **APPLICATION FEE**

The Agency will charge an application fee equal to \$250 upon the submission of the Agency’s Application For Financial Assistance. The application fee will not be applied toward the administrative fee of the Agency.

### **ADMINISTRATIVE FEE**

- (A) Timing. The Agency will charge an administrative fee in connection with an Agency Project. In the case of an Agency Project involving the issuance of bonds, notes or other obligations issued by the Agency, such administrative fee shall be payable upon the successful conclusion of the sale of the obligations. In the case of an Agency Project involving a straight-lease transaction or other transaction not involving the sale of obligations of the Agency, the fee shall be payable upon the execution and delivery of the documents providing the financial assistance.
  
- (B) Amount: Bond Transactions. The amount of the administrative fee for an Agency Project involving the sale of obligations issued by the Agency shall be computed as follows:

***Tax Exempt Obligations:*** 1% of the principal amount plus ½ of 1% of the remaining balance of the obligations the interest on which is not subject to federal income tax issued with respect to the Agency Project.

***Tax-Exempt Not-for-Project Obligations:*** ¾ of 1% of the initial \$5,000,0000 principal amount plus ½ of 1% of the remaining balance of the obligations the interest on which is not subject to federal income tax issued with respect to the Agency Project. This fee formula is applicable to Agency Projects, which benefit not-for-profit corporations.

***Taxable Obligations:*** ¾ of 1% of the initial \$5,000,0000 principal amount plus ½ of 1% of the remaining balance of the obligations subject to federal income tax issued with respect to the Agency Project.

The Agency agrees to modify the amount of the administrative fee computed herein if Bond Counsel advises the Agency that such modification is necessary in order to ensure that the interest on the obligations is excludable from gross income for federal income tax purposes.

(C) Amount: Refunding Bond Transactions. The amount of the administrative fee for an Agency Project involving the sale of obligations to refund an outstanding amount of obligations shall be equal to  $\frac{3}{4}$  of 1% of the initial \$5,000,0000 principal amount plus  $\frac{1}{2}$  of 1% of the remaining balance of the obligations. Such fee shall be imposed regardless of whether the refunding involves a for-profit or not-for-profit corporation, whether the interest on the bonds is subject to federal income taxation or whether the amount of the refunding exceeds the amount of the obligations to be refunded.

The Agency agrees to modify the amount of the administrative fee computed herein if Bond Counsel advises the Agency that such modification is necessary in order to ensure that the interest on the refunding obligations is excludable from gross income for federal income tax purposes.

(D) Amount: Straight Lease Transactions. The amount of the administrative fee for an Agency Project involving straight lease transactions shall be computed as follows:

1.25% of the project amount. The Agency Project shall be the greater of the (A) amount financed by the applicant in undertaking the Agency Project, or (B) the cost incurred by the applicant in undertaking the Agency Project.

(E) Amount: Other Transactions. The amount of the administrative fee for an Agency Project not involving the issuance of the obligations or the execution of straight leases shall be determined by the members of the Agency in their sole discretion.

## **EXPENSES**

In addition to any application fees and administrative fees an Agency Project is subject, the Agency may also charge its reasonable expenses incurred in connection with an Agency Project. Such expenses include the following: publication charges, stenographer and transcription expenses and the expenses and fees of the Agency Counsel.

## **REIMBURSEMENT**

The application and administrative fees provided for in this policy are designed to cover operating and other expenses of the Agency. Such fees are not charged to collect any real property taxes, or other taxes, which would have been levied by or on behalf of an affected tax jurisdiction (as defined in Section 854(16) of the Act.).

## **DEVIATION**

The Agency may provide for a different application fee and/or a different administrative fee for a particular project by resolution duly adopted by the Agency.