

RENSSELAER COUNTY INDUSTRIAL DEVELOPMENT AGENCY

APPLICATION FOR LEASE/LEASEBACK TRANSACTION

IMPORTANT NOTICE: The answers to the questions contained in this application are necessary to determine your firm's eligibility for tax exemptions and other assistance from Rensselaer County Industrial Development Agency. These answers will also be used in the preparation of papers in this transaction. Accordingly, all questions should be answered accurately and completely by an officer or other employee of your firm who is thoroughly familiar with the business and affairs of your firm and who is also thoroughly familiar with the proposed project. This application is subject to acceptance by the Agency.

TO: RENSSELAER COUNTY INDUSTRIAL DEVELOPMENT AGENCY
County Office Building
Troy, New York 12180
Attention: Robert L. Pasinella, Jr., Director

This application by applicant respectfully states:

APPLICANT: **Regeneron Pharmaceuticals, Inc.**

APPLICANT'S STREET ADDRESS: **777 Old Saw Mill River Road**

CITY: **Tarrytown** STATE: **NY** PHONE NO.: **(914) 345-7700**

NAME OF PERSON(S) AUTHORIZED TO SPEAK FOR APPLICANT WITH RESPECT TO THIS APPLICATION: **David Simon, Vice President, Finance and Business Operations**

James Leggett, Director Plant Controller

IF APPLICANT IS REPRESENTED BY AN ATTORNEY, COMPLETE THE FOLLOWING:

NAME OF FIRM: **Arnold & Porter LLP**

NAME OF ATTORNEY: **Victoria Frankenburg, Esq**

ATTORNEY'S STREET ADDRESS: **250 West 55th Street**

CITY: **New York** STATE: **NY** PHONE NO.: **(212) 836-8797**

NOTE: PLEASE READ THE INSTRUCTIONS ON PAGE 2 BEFORE FILLING OUT THIS APPLICATION.

INSTRUCTIONS

1. The Agency will not approve any application unless, in the judgment of the Agency, said application contains sufficient information upon which to base a decision whether to approve or tentatively approve an action.
2. Fill in all blanks, using “none” or “not applicable” or “N/A” where the question is not appropriate to the project which is the subject of this application (the “Project”).
3. If an estimate is given as the answer to a question, put “(est)” after the figure or answer which is estimated.
4. If more space is needed to answer any specific question, attach a separate sheet.
5. When completed, return two (2) copies of this application to the Agency at the address indicated on the first page of this application.
6. The Agency will not give final approval to this application until the Agency receives a completed environmental assessment form concerning the Project which is the subject of this application.
7. Please note that Article 6 of the Public Officers Law declares that all records in the possession of the Agency (with certain limited exceptions) are open to public inspection and copying. If the applicant feels that there are elements of the Project which are in the nature of trade secrets or information, the nature of which is such that if disclosed to the public or otherwise widely disseminated would cause substantial injury to the applicant’s competitive position, the applicant may identify such elements in writing and request that such elements be kept confidential in accordance with Article 6 of the Public Officers Law.
8. The applicant will be required to pay to the Agency all actual costs incurred in connection with this application and the Project contemplated herein. The applicant will also be expected to pay all costs incurred by general counsel and special counsel to the Agency.
9. The Agency has established an application fee of Five Hundred Dollars (\$500) to cover the anticipated costs of the Agency in processing this application. A check or money order made payable to the Agency must accompany each application. THIS APPLICATION WILL NOT BE ACCEPTED BY THE AGENCY UNLESS ACCOMPANIED BY THE APPLICATION FEE.
10. The Agency has established a project fee for each project in which the Agency participates. UNLESS THE AGENCY AGREES IN WRITING TO THE CONTRARY, THIS PROJECT FEE IS REQUIRED TO BE PAID BY THE APPLICANT AT OR PRIOR TO THE GRANTING OF ANY FINANCIAL ASSISTANCE BY THE AGENCY.

FOR AGENCY USE ONLY

1.	Project Number PARIS ID	3804-_____
2.	Date application received by Agency	_____, 20____
3.	Date application referred to attorney for review	_____, 20____
4.	Date copy of application mailed to members	_____, 20____
5.	Date notice of Agency meeting on application posted	_____, 20____
6.	Date notice of Agency meeting on application mailed	_____, 20____
7.	Date of Agency meeting on application	_____, 20____
8.	Date notice of public hearing on application posted	_____, 20____
9.	Date notice of public hearing on application mailed	_____, 20____
10.	Date notice of public hearing on application published	_____, 20____
11.	Date public hearing conducted	_____, 20____
12.	Date Environmental Assessment Form ("EAF") received	_____, 20____
13.	Date Agency completed environmental review	_____, 20____
14.	Date of final approval of application	_____, 20____

**I. INFORMATION CONCERNING THE PROPOSED OCCUPANT OF THE PROJECT
(HEREINAFTER, THE "COMPANY").**

A. Identity of Company:

1. Company Name: **Regeneron Pharmaceuticals, Inc**
Present Address:
Corp. Headquarters: 777 Old Saw Mill River Road, Tarrytown, NY 10591
Local Office: 81 Columbia Turnpike, Rensselaer, NY 12144
Zip Code: **10591 & 12144**
Employer's ID No.: **13-3444607**
2. If the Company differs from the Applicant, give details of relationship: **Not Applicable**
3. Indicate type of business organization of Company:
 - a. ☒ Corporation. If so, incorporated in what country? **United States of America** ;
What State? **New York** ; Date Incorporated **January 11, 1988**;
Type of Corporation? **"C"** ;
Authorized to do business in New York? Yes ☒ ; No ☐.
 - b. ☐ Partnership. If so, indicate type of partnership _____ ;
Number of general partners _____ ; Number of limited partners _____.
 - c. ☐ Limited Liability Company. If so, indicate type of company _____ ;
Number of members _____.
 - d. ☐ Sole proprietorship.
4. Is the Company a subsidiary or direct or indirect affiliate of any other organization(s)? If so, indicate name of related organization(s) and relationship:

No

B. Management of Company:

1. List all owners, officers, directors and partners (complete all columns for each person):

NAME AND HOME ADDRESS	OFFICE HELD	OTHER PRINCIPAL BUSINESS
See 10-K Annual Report available at SEC.GOV (symbol:REGN)		

2. Is the Company or management of the Company now a plaintiff or a defendant in any civil or criminal litigation? Yes X; No _____. **All material litigation is described in the 10-K Annual Report.**
3. Has any person listed above ever been convicted of a criminal offense (other than a minor traffic violation)? Yes ____; No X.
4. Has any person listed above or any concern with whom such person has been connected ever been in receivership or been adjudicated a bankrupt? Yes ____; No X.
5. If the answer to any of questions 2 through 4 is yes, please, furnish details in a separate attachment. **See the 10-K Annual Report.**

C. Principal owners of Company:

1. Is Company publicly held? Yes X; No _____. If yes, please list exchanges where stock traded: **NASDAQ**
2. If no, list all stockholders having a 5% or more interest in the Company:

NAME	ADDRESS	PERCENTAGE OF HOLDING
N/A		

D. D. Company's principal bank(s) of account: **JP Morgan Chase Bank,**
New York, NY

II. DATA REGARDING PROPOSED PROJECT.

A. Description of the Project: (Please provide a brief narrative description of the Project.): **The proposed Phase II project is the construction of a 2-story 346,110 square foot manufacturing building with parking for 256 vehicles.**

B. Location of the Project:

1. Street Address: **401 Tempel Lane**
2. City of **Rensselaer**
3. Town of **East Greenbush**
4. Village of _____
5. County of **Rensselaer**

C. Description of the Project site:

1. Approximate size (in acres or square feet) of the Project site: **The project site will cover approximately 8 acres out of 98 acres at 401 Tempel Lane. Construction will include a 2-story 346,110 square foot manufacturing building with parking for 256 vehicles.** Is a map, survey or sketch of the Project site attached? Yes **X**; No ____.
2. Are there existing buildings on the Project site? Yes **X**; No ____.
 - a. If yes, indicate the number of buildings on the site: **1**. Also, please briefly identify each existing building and indicate the approximate size (in square feet) of each such existing building: **There is a ~211,600 square foot warehouse already on the site.**
 - b. Are the existing buildings in operation? Yes ____; No **X**. If yes, describe present use of present buildings: **The building will be used to store raw materials and inventory in the near future.**
 - c. Are the existing buildings abandoned? Yes ____; No **X**. About to be abandoned? Yes ____; No **X**. If yes, describe: _____

 - d. Attach photograph of present buildings.

3. Utilities serving the Project site:

Water-Municipal: **Town of East Greenbush**

Other (describe) _____

Sewer-Municipal: **Town of East Greenbush**

Other (describe) _____

Electric-Utility: **National Grid (Electricity Transportation)**

Other (describe) **Direct Energy (Electricity Delivery)**

Heat-Utility: **National Grid (Natural Gas Transportation)**

Other (describe) **Direct Energy (Natural Gas Delivery)**

4. Present legal owner of the Project site: **Regeneron Pharmaceuticals, Inc.**

a. If the Company owns the Project site, indicate date of purchase: **February 2016**
purchase price: **\$4.8 million**

b. If Company does not own the Project site, does Company have an option signed with the owner to purchase the Project site? Yes____; No____. If yes, indicate date option signed with the owner: _____, 20____; and the date the option expires: _____, 20____.

c. If the Company does not own the Project site, is there a relationship legally or by common control between the Company and the present owner of the Project site? Yes____; No____. If yes, describe; _____

5. a. Zoning District in which the Project site is located: **OC (Other Commercial).**

b. Are there any variances or special permits affecting the Project site? Yes____; No____
X _____. If yes, list below and attach copies of all such variances or special permits:

D. Description of Proposed Construction:

1. Does part of the Project consist of the acquisition or construction of a new building or buildings? Yes **X** ; No____. If yes, indicate number and size of new buildings: **One 2-story 346,110 square foot manufacturing building**

2. Does part of the Project consist of additions and/or renovations to existing buildings located on the Project site? Yes__ **X** __; No____. If yes, indicate the buildings to be expanded or renovated, the size of any expansions and the nature of expansion and/or renovation: **The existing warehouse on the site will be modified to allow for a small entry way/corridor to the new manufacturing building on both the first and second floors to allow for the flow of materials and personnel. Also, there will be boilers added to the existing warehouse to serve the new building.**

3. Describe the principal uses to be made by the Company of the building or buildings to be acquired, constructed or expanded: **The new manufacturing building will be used for pharmaceutical manufacturing including filling, packaging, labeling and inspection. There will be office space to house the manufacturing personnel. The existing warehouse space will be used for storage of raw materials which will be used in manufacturing and storage of the packaged & labeled drug product.**

E. Description of the Equipment:

1. Does a part of the Project consist of the acquisition or installation of machinery, equipment or other personal property (the "Equipment")? Yes **X**; No _____. If yes, describe the Equipment: **The equipment includes office furniture and equipment, HVAC, lab equipment (freezers, parts washers, freeze/thaw systems) and manufacturing equipment including filling, packaging, labeling and inspection equipment.**
2. With respect to the Equipment to be acquired, will any of the Equipment be Equipment which has previously been used? Yes ____; No **X**_. If yes, please provide detail: _____

3. Describe the principal uses to be made by the Company of the Equipment to be acquired or installed: **The equipment will be used for office purposes, HVAC, and for the filling, packaging, labeling and inspection of drug product.**

F. Project Use:

1. What are the principal products to be produced at the Project? **The site will be able to produce Regenerons clinical or commercial drug products.**
2. What are the principal activities to be conducted at the Project? **Filling, packaging, labeling and inspection of drug product.**
3. Does the Project include facilities or property that are primarily used in making retail sales of goods or services to customers who personally visit such facilities? Yes ____; No **X** If yes, please provide detail: _____

- NA

7. Will the completion of the Project result in the removal of a plant or facility of the Company or another proposed occupant of the Project (a "Project Occupant") from one area of the State of New York to another area of the State of New York? Yes ____; No **X**. If yes, please explain: _____

8. Will the completion of the Project result in the abandonment of one or more plants or facilities of the Company located in the State of New York? Yes ____; No **X**. If yes, please provide detail: _____

9. If the answer to either question 7 or question 8 is yes, indicate whether any of the following apply to the Project:
- a. Is the Project reasonably necessary to preserve the competitive position of the Company or such Project Occupant in its industry? Yes ____; No _____. If yes, please provide detail: **NA** _____

- b. Is the Project reasonably necessary to discourage the Company or such Project Occupant from removing such other plant or facility to a location outside the State of New York? Yes ____; No _____. If yes, please provide detail: **NA** _____

G. Project Status:

1. If the Project includes the acquisition of any land or buildings, have any steps been taken toward acquiring same? Yes ____; No _____. If yes, please discuss in detail the approximate stage of such acquisition. **NA**.
2. If the Project includes the acquisition of any Equipment, have any steps been taken toward acquiring same? Yes **X** No _____. If yes, please discuss in detail the approximate stage of such acquisition: **Purchase orders and required down payments have been issued for major, long lead items including freeze dryers, inspection equipment and filling equipment.**
3. If the Project involves the construction or reconstruction of any building or other improvement, has construction work on any such building or improvement begun? Yes ____; No **X** _____. If yes, please discuss in detail the approximate extent of construction and the

extent of completion. Indicate in your answer whether such specific steps have been completed as site clearance and preparation; completion of foundations; installation of footings; etc.:

4. Please indicate amount of funds expended on the Project by the Company in the past three (3) years and the purposes of such expenditures: **\$5.4M was spent to procure the land. \$1M (est) has been spent on design, surveys and traffic studies.**
5. Please indicate the date the applicant estimates the Project will be completed: **2021**

III. INFORMATION CONCERNING LEASES OR SUBLEASES OF THE PROJECT.
(PLEASE COMPLETE THE FOLLOWING SECTION IF THE COMPANY INTENDS TO
LEASE OR SUBLEASE ANY PORTION OF THE PROJECT).

A. Does the Company intend to lease or sublease more than 10% (by area or fair market value) of the Project? Yes____; No **X**. If yes, please complete the following for each existing or proposed tenant or subtenant:

1. Sublessee name: _____
Present Address: _____
City: _____ State: _____ Zip: _____
Employer's ID No.: _____
Sublessee is: _____ Corporation: _____ Partnership: _____ Sole Proprietorship: _____ Other;
If Other, Indicate Type: _____
Relationship to Company: _____
Percentage of Project to be leased or subleased: _____
Use of Project intended by Sublessee: _____
Date of lease or sublease to Sublessee: _____
Term of lease or sublease to Sublessee: _____
Will any portion of the space leased by this sublessee be primarily used in making retail sales of goods or services to customers who personally visit the Project? Yes____; No____. If yes, please provide on a separate attachment (a) details and (b) the answers to questions II(F)(4) through (6) with respect to such sublessee.
2. Sublessee name: _____
Present Address: _____
City: _____ State: _____ Zip: _____
Employer's ID No.: _____
Sublessee is: _____ Corporation: _____ Partnership: _____ Sole Proprietorship: _____ Other;
If Other, Indicate Type: _____
Relationship to Company: _____
Percentage of Project to be leased or subleased: _____
Use of Project intended by Sublessee: _____

Date of lease or sublease to Sublessee: _____

Term of lease or sublease to Sublessee: _____

Will any portion of the space leased by this sublessee be primarily used in making retail sales of goods or services to customers who personally visit the Project? Yes____; No____. If yes, please provide on a separate attachment (a) details and (b) the answers to questions II(F)(4) through (6) with respect to such sublessee.

3. Sublessee name: _____
Present Address: _____
City: _____ State: _____ Zip: _____
Employer's ID No.: _____
Sublessee is: _____ Corporation: _____ Partnership: _____ Sole Proprietorship: _ Other;
If Other, Indicate Type: _____
Relationship to Company: _____
Percentage of Project to be leased or subleased: _____
Use of Project intended by Sublessee: _____
Date of lease or sublease to Sublessee: _____
Term of lease or sublease to Sublessee: _____
Will any portion of the space leased by this sublessee be primarily used in making retail sales of goods or services to customers who personally visit the Project? Yes____; No____. If yes, please provide on a separate attachment (a) details and (b) the answers to questions II(F)(4) through (6) with respect to such sublessee.

- B. What percentage of the space intended to be leased or subleased is now subject to a binding written lease or sublease? _____

IV. Employment Impact.

- A. Indicate the number of people presently employed at the Project site (i.e. retained employees) and the **additional** number of newly created positions that will be employed at the Project site at the end of the first, second, third and fourth years after the Project has been completed, using the tables below for (1) employees of the Applicant, (2) independent contractors, and (3) employees of independent contractors. (Do not include construction workers). Also indicate below the number of workers employed at the Project site representing positions relocated from other project sites of the applicant. Such information regarding relocated positions should also indicate whether such positions are relocated from other project sites financed by obligations previously issued by the Agency.

TYPE OF EMPLOYMENT Employees of Applicant					
	Professional or Managerial	Skilled	Semi-Skilled	Un-Skilled	Totals
Present Full Time	1025	1281	256		2562

Present Part Time					
Present Seasonal					
Additional First Year Full Time	20	69	14		103
Additional First Year Part Time					
Additional First Year Seasonal					
Additional Second Year Full Time	30	55	15		100
Additional Second Year Part Time					
Additional Second Year Seasonal					
Additional Third Year Full Time					
Additional Third Year Part Time	37	45	15		97
Additional Third Year Seasonal					
Additional Fourth Year Full Time					
Additional Fourth Year Part Time					
Additional Fourth Year					

Seasonal					
Relocated positions from other project sites Full Time					
Relocated positions from other project sites Part Time					

TYPE OF EMPLOYMENT Independent Contractors					
	Professional or Managerial	Skilled	Semi-Skilled	Un-Skilled	Totals
Present Full Time	NA				
Present Part Time					
Present Seasonal					
First Year Full Time					
First Year Part Time					
First Year Seasonal					
Second Year Full Time					
Second Year Part Time					
Second Year Seasonal					

Third Year Full Time					
Third Year Part Time					
Third Year Seasonal					
Fourth Year Full Time					
Fourth Year Part Time					
Fourth Year Seasonal					

TYPE OF EMPLOYMENT Employees of Independent Contractors					
	Professional or Managerial	Skilled	Semi-Skilled	Un-Skilled	Totals
Present Full Time	NA				
Present Part Time					
Present Seasonal					
First Year Full Time					
First Year Part Time					
First Year Seasonal					
Second Year Full Time					
Second Year Part Time					

Second Year Seasonal					
Third Year Full Time					
Third Year Part Time					
Third Year Seasonal					
Fourth Year Full Time					
Fourth Year Part Time					
Fourth Year Seasonal					

- B. Indicate below (1) the estimated salary and fringe benefit averages and (2) the estimated number of employees residing in the Capital District Economic Development Region for all retained jobs at the Project site listed in the tables described in subsection A above for each of the categories of positions listed in the chart below.

RELATED EMPLOYMENT INFORMATION				
	Professional or Managerial	Skilled	Semi-Skilled	Un-Skilled
Estimated Salary and Fringe Benefit Averages for retained positions	NA			
Estimated Number of Employees Residing in the Capital District Economic Development Region ¹				

- C. Indicate below (1) the estimated salary and fringe benefit averages and (2) the estimated salary ranges for all newly created jobs at the Project site listed in the tables described in subsection A above for each of the categories of positions listed in the chart below.

RELATED EMPLOYMENT INFORMATION

¹ The Capital District Economic Development Region consists of the following counties: Albany, Schenectady, Rensselaer, Greene, Columbia, Saratoga, Warren, and Washington.

	Professional or Managerial	Skilled	Semi-Skilled	Un-Skilled
Estimated Salary and Fringe Benefit Averages for created positions	\$110-\$130k	\$66-\$96k	\$54-\$72k	
Estimated salary range for created positions	\$90-\$110k	\$55-\$80k	45-\$65k	

D. Please describe the projected timeframe for the creation of any new jobs with respect to the undertaking of the Project: These jobs will be created and maintained over the next 1-3 years.

E. Please prepare a separate attachment describing in detail the types of employment at the Project site. Such attachment should describe the activities or work performed for each type of employment. Biotech Production Specialist (BPS) who will be manufacturing the biopharma drugs in the process areas which are clean rooms. Quality Control Analyst who will be maintaining our quality systems via reviewing documentation, variances to the process and comparing lab test results to our specifications.

V. Project Cost and Financing Sources.

A. Anticipated Project Costs. State the costs reasonably necessary for the acquisition of the Project site, the construction of the proposed buildings and the acquisition and installation of any machinery and equipment necessary or convenient in connection therewith, and including any utilities, access roads or appurtenant facilities, using the following categories:

<u>Description of Cost</u>	<u>Amount</u>
Land	\$6,500,000
Buildings	\$150,400,000
Machinery and equipment costs	\$1,600,000
Utilities, roads and appurtenant costs	\$2,500,000
Architects and engineering fees	\$27,500,000

Costs of financing	\$0
Construction loan fees and interest (if applicable)	\$0
Other (specify)	
CM services/Validation fees	\$0
TOTAL PROJECT COSTS	\$188,500,000

- B. Anticipated Project Financing Sources. State the sources reasonably necessary for the financing of the Project site, the construction of the proposed buildings and the acquisition and installation of any machinery and equipment necessary or convenient in connection therewith, and including any utilities, access roads or appurtenant facilities, using the following categories: NA

<u>Description of Sources</u>	<u>Amount</u>
Private Sector Financing	\$ _____
Public Sector	
Federal Programs	\$ _____
State Programs	\$ _____
Local Programs	\$ _____
Applicant Equity	\$ _____
Other (specify, e.g., tax credits)	
_____	\$ _____
_____	\$ _____
_____	\$ _____
TOTAL AMOUNT OF PROJECT FINANCING SOURCES	\$ _____

- C. Have any of the above expenditures already been made by the applicant? Yes **X** ; No _____. If yes, indicate particulars.

\$1.6M in down payments on equipment, \$0.9M in engineering and design work, \$0.03M in investigations and studies

- _____
- _____
- _____
- D. Amount of loan requested: \$ NA _____ ;
- Maturity requested: NA _____ years.
- E. Has a commitment for financing been received as of this application date, and if so, from whom?
- Yes _____ ; No X _____. Institution Name: _____
- Provide name and telephone number of the person we may contact.
- Name: _____ Phone: _____
- F. The percentage of Project costs to be financed from public sector sources is estimated to equal the following: 0 _____ %
- G. The total amount estimated to be borrowed to finance the Project is equal to the following: \$ 0 _____

VI. FINANCIAL ASSISTANCE EXPECTED FROM THE AGENCY.

A. Tax Benefits.

1. Is the applicant requesting any real property tax exemption in connection with the Project that would not be available to a project that did not involve the Agency? Yes _____ ; No X _____. If yes, is the real property tax exemption being sought consistent with the Agency's Uniform Tax Exemption Policy? Yes _____ ; No X _____.
2. Is the applicant expecting that the financing of the Project will be secured by one or more mortgages? Yes _____ ; No X _____. If yes, what is the approximate amount of financing to be secured by mortgages? \$ _____ .
3. Is the applicant expecting to be appointed agent of the Agency for purposes of avoiding payment of N.Y.S. Sales Tax or Compensating Use Tax? Yes X ; No _____. If yes, what is the approximate amount of purchases which the applicant expects to be exempt from the N.Y.S. Sales and Compensating Use Taxes? **\$76,400,000**.
4. What is the estimated value of each type of tax-exemption being sought in connection with the Project? Please detail the type of tax-exemption and value of each exemption.
 - a. N.Y.S. Sales and Compensating Use Taxes: **\$6,000,000 EST**
 - b. Mortgage Recording Taxes: **\$0**
 - c. Real Property Tax Exemptions: **\$9,706,000**
 - d. Other (please specify):

5. Are any of the tax-exemptions being sought in connection with the Project inconsistent with the Agency's Uniform Tax-exemption Policy? Yes **X**; No ____ . If yes, please explain how the request of the applicant differs from the Agency's Uniform Tax-Exemption Policy: **There is a pilot deviation whereby a fixed rate is being requested. See attached schedule under the 'Cost/Benefit Analysis', Projected Operating Impact, section II.**

B. Project Cost/Benefit Information. Complete the attached Cost/Benefit Analysis so that the Agency can perform a cost/benefit analysis of undertaking the Project. Such information should consist of a list and detailed description of the benefits of the Agency undertaking the Project (e.g., number of jobs created, types of jobs created, economic development in the area, etc.). Such information should also consist of a list and detailed description of the costs of the Agency undertaking the Project (e.g., tax revenues lost, buildings abandoned, etc.).

VII. REPRESENTATIONS BY THE APPLICANT. The applicant understands and agrees with the Agency as follows:

A. Job Listings. In accordance with Section 858-b(2) of the New York General Municipal Law, the applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, except as otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the Project will be listed with the New York State Department of Labor Community Services Division (the "DOL") and with the administrative entity (collectively with the DOL, the "JTPA Entities") of the service delivery area created by the federal job training partnership act (Public Law 97-300) ("JTPA"), as replaced by the Workforce Investment Act of 1998 (Public Law 105-220), in which the Project is located.

B. First Consideration for Employment: In accordance with Section 858-b(2) of the New York General Municipal Law, the applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, except as otherwise provided by collective bargaining agreements, where practicable, the applicant will first consider persons eligible to participate in JTPA programs who shall be referred by the JTPA Entities for new employment opportunities created as a result of the Project.

C. Annual Sales Tax Filings: In accordance with Section 874(8) of the New York General Municipal Law, the applicant understands and agrees that, if the Project receives any sales tax exemptions as part of the Financial Assistance from the Agency, in accordance with Section 874(8) of the General Municipal Law, the applicant agrees to file, or cause to be filed, with the New York State Department of Taxation and Finance, the annual form prescribed by the Department of Taxation and Finance, describing the value of all sales tax exemptions claimed by the applicant and all consultants or subcontractors retained by the applicant.

D. Annual Employment Reports: The applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, the applicant agrees to file, or cause to be filed, with the Agency, on an annual basis, reports regarding the number of people employed at the project site.

E. Representation of Financial Information. Neither this Application nor any other agreement, document, certificate, project financials, or written statement furnished to the Agency or by or on behalf of the applicant in connection with the project contemplated by this Application contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements

contained herein or therein not misleading. There is no fact within the special knowledge of any of the officers of the applicant which has not been disclosed herein or in writing by them to the Agency and which materially adversely affects or in the future in their opinion may, insofar as they can now reasonably foresee, materially adversely affect the business, properties, assets or condition, financial or otherwise, of the applicant.

F. Agency Financial Assistance Required for Project. The Project would not be undertaken but for the Financial Assistance provided by the Agency or, if the Project could be undertaken without the Financial Assistance provided by the Agency, then the Project should be undertaken by the Agency for the following reasons:

G. Relocation or Abandonment. The provisions of subdivision one of Section 862 of the General Municipal Law will not be violated if Financial Assistance is provided for the Project.

H. Compliance with Federal, State, and Local Laws. The applicant is in substantial compliance with applicable local, state, and federal tax, worker protection, and environmental laws, rules, and regulations.

I. False or Misleading Information. The applicant understands 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 exemptions claimed by reason of Agency involvement in the Project.

J. Absence of Conflicts of Interest. The applicant acknowledges that the members, officers, and employees of the Agency are listed on the Agency's website. No member, officer or employee of the Agency has an interest, whether direct or indirect, in any transaction contemplated by this Application, except as hereinafter described:

K. Uniform Agency Project Agreement. The applicant agrees to enter into a project benefits agreement with the Agency where the applicant agrees that (1) the amount of Financial Assistance to be received shall be contingent upon, and shall bear a direct relationship to the success or lack of success of such project in delivering certain described public benefits (the "Public Benefits") and (2) the Agency will be entitled to recapture some or all of the Financial Assistance granted to the applicant if the project is unsuccessful in whole or in part in delivering the promised Public Benefits.

L. Additional Information. Additional information regarding the requirements noted in this Application and other requirements of the Agency is included the Agency's Policy Manual which can be accessed at <http://www.discoverrensselaer.com/econ/About.aspx>.

I affirm under penalty of perjury that all statements made on this application are true, accurate, and complete to the best of my knowledge.

By:

Title:

Applicant

David M Simon

Vice President, JOPS Finance & Bus Ops

NOTE: APPLICANT MUST COMPLETE THE APPROPRIATE VERIFICATION
APPEARING ON PAGES 22 THROUGH 25 HEREOF BEFORE A NOTARY PUBLIC
AND MUST SIGN AND ACKNOWLEDGE THE HOLD HARMLESS AGREEMENT
APPEARING ON PAGE 26.

VERIFICATION

(If Applicant is a Corporation)

STATE OF New York)
) SS.:
COUNTY OF Rensselaer)

David Simon deposes and says that he is the
(Name of officer of applicant)
Vice President, JOPS Finance & Bus Ops of Regeneron Pharmaceuticals Inc.
(Title) (Company Name)

application; that he has read the foregoing application and knows the contents thereof; and that the same is true and complete and accurate to the best of his knowledge. Deponent further says that the reason this verification is made by the deponent and not by said Company is because the said Company is a corporation. The grounds of deponent's belief relative to all matters in the said application which are not stated upon his own personal knowledge are investigations which deponent has caused to be made concerning the subject matter of this application as well as information acquired by deponent in the course of his duties as an officer of and from the books and papers of said corporation.



(officer of applicant)

Sworn to before me this
12 day of September, 2018.

Kathryn Rayno
Notary Public

KATHRYN RAYNO
NOTARY PUBLIC-STATE OF NEW YORK
No. 01RA6340597
Qualified In Rensselaer County
My Commission Expires 04-18-2020

HOLD HARMLESS AGREEMENT

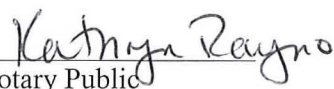
Applicant hereby releases Rensselaer County Industrial Development Agency and the members, officers, servants, agents and employees thereof (hereinafter collectively referred to as the "Agency") from, agrees that the Agency shall not be liable for and agrees to indemnify, defend and hold the Agency harmless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



(Applicant)

BY: Daniel M. Simon
VP, IOPS Finance & Bus ops

Sworn to before me this
12 day of September, 2018.



Notary Public

KATHRYN RAYNO
NOTARY PUBLIC-STATE OF NEW YORK
No. 01RA6340597
Qualified In Rensselaer County
My Commission Expires 04-18-2020

TO: Project Applicants
FROM: Rensselaer County Industrial Development Agency
RE: Cost/Benefit Analysis

In order for the Rensselaer County Industrial Development Agency (the "Agency") to prepare a Cost/Benefit Analysis for a proposed project (the "Project"), the Applicant must answer the questions contained in this Project Questionnaire (the "Questionnaire") and complete the attached Schedules. This Questionnaire and the attached Schedule will provide information regarding various aspects of the Project, and the costs and benefits associated therewith.

This Questionnaire must be completed before we can finalize the Cost/Benefit Analysis, please complete this Questionnaire and forward it to us at your earliest convenience.

PROJECT QUESTIONNAIRE

1. Name of Project Beneficiary ("Company"):	Regeneron Pharmaceuticals, Inc.
2. Brief Identification of the Project:	Commercial Manufacturing Facility
3. Estimated Amount of Project Benefits Sought:	
A. Value of Sales Tax Exemption Sought	\$6,000,000
B. Value of Real Property Tax Exemption Sought	\$9,706,000
C. Value of Mortgage Recording Tax Exemption Sought	\$0

PROJECTED PROJECT INVESTMENT

A. Land-Related Costs	
1. Land acquisition	\$0
2. Site preparation	\$6,000,000
3. Landscaping	\$500,000
4. Utilities and infrastructure development	\$2,000,000
5. Access roads and parking development	\$500,000
6. Other land-related costs (describe)	\$0
B. Building-Related Costs	
1. Acquisition of existing structures	\$0
2. Renovation of existing structures	\$700,000
3. New construction costs	\$45,820,000
4. Electrical systems	\$22,400,000
5. Heating, ventilation and air conditioning	\$30,800,000
6. Plumbing	\$280,000
7. Other building-related costs (describe) (instrumentation)	\$50,400,000

C.Machinery and Equipment Costs	
1.Production and process equipment	\$0
2.Packaging equipment	\$0
3.Warehousing equipment	\$0
4.Installation costs for various equipment	\$0
5.Other equipment-related costs (describe) elevators/generators	\$0
D.Furniture and Fixture Costs	
1.Office furniture	\$1,200,000
2.Office equipment	\$100,000
3.Computers	\$300,000
4.Other furniture-related costs (describe)	\$0
E. Working Capital Costs	
1.Operation costs	
2.Production costs	
3.Raw materials	
4.Debt service	
5.Relocation costs	
6.Skills training	
7.Other working capital-related costs (describe)	
F.Professional Service Costs	
1.Architecture and engineering	\$27,500,000
2.Accounting/legal	\$0
3.Other service-related costs (describe)	\$0
G.Other Costs	
Release of Wetlands Fees & GEIS Fees	
H.Summary of Expenditures	
1.Total Land-Related Costs	\$9,000,000
2.Total Building-Related Costs	\$150,400,000
3.Total Machinery and Equipment Costs	\$0
4.Total Furniture and Fixture Costs	\$1,600,000
5.Total Working Capital Costs	\$0
6.Total Professional Service Costs	\$27,500,000
7.Total Other Costs	\$0

PROJECTED PROFIT

I. Please provide projected profit as defined by earnings after income tax but before depreciation and amortization: - Information is not available to calculate at this level as Rensselaer is the manufacturing site only.

YEAR	Without IDA benefits	With IDA benefits
1	\$	\$
2	\$	\$
3	\$	\$
4	\$	\$
5	\$	\$

PROJECTED CONSTRUCTION EMPLOYMENT IMPACT

- I. Please provide estimates of total construction jobs and the total annual wages and benefits of construction jobs at the Project: *Note: Very rough estimates based on annualized wages of \$53,825 per worker plus 20% benefits over the construction period.*

Year	Number of Construction Jobs	Total Annual Wages and Benefits	Estimated Additional NYS Income Tax
Current Year	50	\$ 2,400,000	\$ 117,000
Year 1	100	\$ 4,800,000	\$ 234,000
Year 2	100	\$ 4,800,000	\$ 234,000
Year 3	50	\$ 2,400,000	\$ 117,000
Year 4		\$	\$
Year 5		\$	\$

PROJECTED PERMANENT EMPLOYMENT IMPACT

- I. Estimates of the total number of existing permanent jobs to be preserved or retained as a result of the Project are described in the tables in Section IV of the Application. NA
- II. Estimates of the total new permanent jobs to be created at the Project are described in the tables in Section IV of the Application. 300 jobs will be created.

III. Please provide estimates for the following:

- A. Creation of New Job Skills relating to permanent jobs. Please complete Schedule A.

IV. Provide the projected percentage of employment that would be filled by Rensselaer County residents: We expect approximately 30% to be Rensselaer County residents which is consistent with our current employee population.

- A. Provide a brief description of how the project expects to meet this percentage: via local recruiting methods

PROJECTED OPERATING IMPACT

I. Please provide estimates for the impact of Project operating purchases and sales:

Additional Purchases (1 st year following project completion)	\$15,000,000
Additional Sales Tax Paid on Additional Purchases	\$1,200,000
Estimated Additional Sales (1 st full year following project completion)	\$0
Estimated Additional Sales Tax to be collected on additional sales (1 st full year following project completion)	\$0

II. Please provide estimates for the impact of Project on existing real property taxes and new payments in lieu of taxes ("Pilot Payments"):

Year	Existing Real Property Taxes (Without IDA involvement)	New Pilot Payments (With IDA)	Total (Difference)
Year 1	\$ 2,895,471	\$ 1,502,355	\$ (1,393,117)
Year 2	\$ 2,895,471	\$ 1,577,472	\$ (1,317,999)
Year 3	\$ 2,895,471	\$ 1,656,346	\$ (1,239,125)
Year 4	\$ 2,895,471	\$ 1,739,163	\$ (1,156,308)
Year 5	\$ 2,895,471	\$ 1,826,121	\$ (1,069,350)
Year 6	\$ 2,895,471	\$ 1,917,427	\$ (978,044)
Year 7	\$ 2,895,471	\$ 2,013,299	\$ (882,172)
Year 8	\$ 2,895,471	\$ 2,113,964	\$ (781,508)
Year 9	\$ 2,895,471	\$ 2,417,412	\$ (478,059)
Year 10	\$ 2,895,471	\$ 2,485,154	\$ (410,318)
	\$ 28,954,713	\$ 19,248,713	\$ (9,706,000)


III. Please provide a brief description for the impact of other economic benefits expected to be produced as a result of the Project: We will have local services to support the maintenance and supporting our current operations. The new jobs created will have approximately 30% of these employees living locally

CERTIFICATION

I certify that I have prepared the responses provided in this Questionnaire and that, to the best of my knowledge; such responses are true, correct, and complete.

I understand that the foregoing information and attached documentation will be relied upon, and constitute inducement for, the Agency in providing financial assistance to the Project. I certify that I am familiar with the Project and am authorized by the Company to provide the foregoing information, and such information is true and complete to the best of my knowledge. I further agree that I will advise the Agency of any changes in such information, and will answer any further questions regarding the Project prior to the closing.

I affirm under penalty of perjury that all statements made on this application are true, accurate, and complete to the best of my knowledge.

Date Signed: <u>September 12, 2018.</u>	Name of Person Completing Project Questionnaire on behalf of the Company. Name: <u>David Simon</u> Title: <u>Vice President, JOPS Finance & Business Ops</u> Phone Number: <u>518-488-6195</u> Address: <u>81 Columbia Turnpike, Poughkeepsie NY 12144</u> Signature: 
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CREATION OF NEW JOB SKILLS

[illegible]

Should you need additional space, please attach a separate sheet.