

MINUTES
COUNTY OF OSWEGO INDUSTRIAL DEVELOPMENT AGENCY
April 27, 2016
IDA OFFICE BUILDING
44 W. BRIDGE ST.
OSWEGO, NEW YORK

PRESENT: Canale, Rush, Schick and Toth

Absent/Excused: Kunzwiler and Sorbello

Also Present: Kevin C. Caraccioli, David S. Dano, Teresa Woolson, Peter Swartz, Doug McRae, Norm Swanson, Greg Rigby, Roy Reehil and L. Michael Treadwell.

Chair Rush called the meeting to order at 9:00 a.m. at the offices of the County of Oswego IDA in Oswego, NY.

APPROVAL OF MINUTES

On a motion by Mr. Toth, seconded by Mr. Canale, the minutes of the April 11, 2016 meeting were approved.

TREASURER'S REPORT

On a motion by Mr. Schick, seconded by Mr. Canale, the Financial Statements for the period ended January 31, 2016 were approved.

NOTICE OF MEETING

Meeting notices were posted at the Oswego County Building, the IDA Office Building, and on the IDA website. A notice was published in The Palladium Times on April 14, 2016.

Altmar Genesee LLC/Tailwater Lodge Banquet & Catering Project

Mr. Swanson gave an update about stage two of his project. He noted that he has been working with the community to bring water and sewer to the area, as well as a proposal to donate land to the fire department. Chair Rush noted that the issues with the Town Supervisor appear to be resolved. The Special District Taxes have been paid by the company.

CNY Raceway Park, Inc.

Mr. Rigby provided an update and schedule of events for the park. Mr. Treadwell noted that the comments at the public hearing were very positive. The current assessment was discussed, noting that the Assessor was to establish the value of the vacant parcels on or about May 1, 2016.

Nine Mile Point Nuclear Station, LLC

Mr. Caraccioli introduced Peter Swartz, attorney for Nine Mile Point and Doug McRae, attorney for Bond Schoeneck and King representing the Oswego City School District. Mr. Swartz gave an overview of the application, being part of the tax settlement agreement negotiated between the three taxing jurisdictions. Sales Tax exemptions would be for capital improvements, upgrades and maintenance. The application is for Nine Mile Point 1 and 2 combined for the PILOT Agreement. Regulatory approval will be required for IDA assistance. Mr. McRae noted that the Oswego City School District has already approved the PILOT Agreement. It was noted that the IDA will not be obligated nor take over the negotiations after the expiration of this PILOT agreement.

Executive Session

Chair Rush and Mr. Caraccioli reported that due to matters involving the financial history of a business/organization and individuals and pending contractual matters, on a motion by Mr. Toth, seconded by Mr. Canale, it was approved to go into Executive Session at 10:01 a.m..

On a motion by Mr. Schick, seconded by Mr. Canale, the Executive Session ended at 10:41 a.m.

CNY Raceway Park, Inc.

Mr. Caraccioli reported that the new tentative assessment was set at \$1,316,900. Mr. Rigby reported that he will be grieving this assessment amount.

On a motion by Mr. Canale, seconded by Mr. Schick, a resolution was approved authorizing undertaking the acquisition, demolition, construction and equipping of a certain project, appointing the Company as Agent of the Agency for the purpose of the acquisition, demolition, construction, equipping and completion of the project; approving financial assistance in the form of exemptions from real property tax; state and local sales and use tax; and mortgage recording tax; and authorizing the execution and delivery of an agreement between the Agency and the Company. A copy of the Inducement Resolution is attached and made an official part of the minutes. Authorization was approved to enter into a Temporary Sales Tax Appointment Agreement and to issue a Temporary Sales Tax Appointment Letter.

On a motion by Mr. Canale, seconded by Mr. Toth, it was approved to table action on the PILOT Resolution and the Final Approving Resolution. Mr. Rigby thanked the Board and noted his appreciation. Mr. Canale thanked Mr. Rigby for investing in Oswego County.

Altmar Genesee LLC/Tailwater Lodge Banquet & Catering Project

Following a discussion, on a motion by Mr. Canale, seconded by Mr. Toth, a resolution was approved approving a PILOT schedule and authorizing the execution and delivery of certain documents by the Agency in connection with a certain project undertaken at the request of the Company. A copy of the PILOT Resolution is attached and made an official part of the minutes.

Following a discussion, on a motion by Mr. Schick, seconded by Mr. Canale, a resolution was approved authorizing the execution and delivery of certain documents by the Agency in connection with a project undertaken at the request of the Company. A copy of the Final Approving Resolution is attached and made an official part of the minutes. On a motion by Mr. Toth, seconded by Mr. Schick, authorization was approved to enter into a Temporary Sales Tax Appointment Agreement and to issue a Temporary Sales Tax Appointment Letter. Mr. Canale noted that the benefits to our area are above and beyond. Ms. Rush noted appreciation for Mr. Swanson's ongoing appearance and communications with the Board.

Nine Mile Point Nuclear Station, LLC

Following a discussion, on a motion by Mr. Toth, seconded by Mr. Canale, a resolution was approved classifying the project as an Unlisted Action pursuant to the SEQRA and determining that the project will not have a significant effect on the environment. A copy of the SEQRA Resolution is attached and made an official part of the minutes.

On a motion by Mr. Schick, seconded by Mr. Canale, a resolution was approved authorizing undertaking the acquisition, renovation, construction and equipping of a certain project, appointing the Company as Agent of the Agency for the purpose of the acquisition, renovation, construction, equipping and completion of the project; approving financial assistance in the form of exemptions from real property tax and state and local sales and use tax; and authorizing the execution and delivery of an agreement between the Agency and the Company. A copy of the Inducement Resolution is attached and made an official part of the minutes.

On a motion by Mr. Schick, seconded by Mr. Canale, it was approved to table action on the PILOT and Final Approving Resolution due to awaiting regulatory approval.

Novelis Corporation – Pusher II

Following a review of the application, on a motion by Mr. Schick, seconded by Mr. Canale, a resolution was approved determining that the acquisition and installation of equipment at the request of the Company constitutes a project and describing the financial assistance requested in connection therewith and retroactively authorizing a public hearing. A copy of the Initial Resolution is attached and made an official part of the minutes.

Oswego Lodging Group LLC

Following a review of the application, on a motion by Mr. Schick, seconded by Mr. Canale, a resolution was approved determining that the acquisition, construction and equipping of a commercial facility at the request of the Company constitutes a project and describing the financial assistance requested in connection therewith and authorizing a public hearing. A copy of the Initial Resolution is attached and made an official part of the minutes.

Camelot Lodge LLC/Cahill Landing

Following a review of the application, on a motion by Mr. Toth, seconded by Mr. Canale, a resolution was approved determining that the acquisition, renovation and equipping of a commercial facility at the request of the Company constitutes a project and describing the financial assistance requested in connection therewith and authorizing a public hearing. A copy of the Initial Resolution is attached and made an official part of the minutes.

R&D Development

Mr. Caraccioli reported that the firm in the Oswego County Industrial Park would be a part of Start-Up New York. On a motion by Mr. Toth, seconded by Mr. Canale, it was approved to enter into an affiliation agreement with R&D Development for Start-Up New York.

Upstate Energy Jobs Coalition

Mr. Canale gave an overview of the recent Rally, noting that there was a good diverse attendance, the group was energized and very encouraging. The Low Cost/High Benefit Cost Study, recently released, is key to a purchase/operation option.

Next Meeting

May 10, 2016 at 9:00 a.m. was scheduled.

Adjournment

On a motion by Mr. Canale, seconded by Mr. Toth, the meeting was adjourned at 11:17 a.m.

Respectfully Submitted,

H. Leonard Schick
Secretary

INDUCEMENT RESOLUTION

A regular meeting of the County of Oswego Industrial Development Agency was convened in public session on April 27, 2016, at 9:00 a.m., at 44 West Bridge Street, Oswego, New York.

The meeting was called to order by the Chair and, upon the roll being duly called, the following members were:

PRESENT: Nick Canale, Jr., Carolyn Rush, H. Leonard Schick and Gary T. Toth

ABSENT: Donald H. Kunzwiler and Morris Sorbello

ALSO PRESENT: Kevin C. Caraccioli, David S. Dano, Roy Reehil, Greg Rigby, L. Michael Treadwell and Teresa Woolson

The following resolution was duly offered and seconded:

RESOLUTION UNDERTAKING THE ACQUISITION, DEMOLITION, CONSTRUCTION AND EQUIPPING OF A CERTAIN PROJECT, APPOINTING THE COMPANY AS AGENT OF THE AGENCY FOR THE PURPOSE OF THE ACQUISITION, DEMOLITION, CONSTRUCTION AND EQUIPPING AND COMPLETION OF THE PROJECT; APPROVING FINANCIAL ASSISTANCE IN THE FORM OF EXEMPTIONS FROM REAL PROPERTY TAX AND STATE AND LOCAL SALES AND USE TAX; AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN AGREEMENT BETWEEN THE AGENCY AND THE COMPANY

WHEREAS, the County of Oswego Industrial Development Agency (the “*Agency*”) is authorized and empowered by Title 1 of Article 18-A of the General Municipal Law of the State of New York (the “*State*”), as amended, together with Chapter 234 of the Laws of 1973 of the State of New York, as amended from time to time (collectively, the “*Act*”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, including industrial pollution control facilities, railroad facilities and certain horse racing facilities, for the purpose of promoting, attracting, encouraging and developing recreation and economically sound commerce and industry to advance the job opportunities,

health, general prosperity and economic welfare of the people of the State, to improve their recreation opportunities, prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to grant “financial assistance” (as defined in the Act) in connection with the acquisition, construction, renovation and equipping of one or more “projects” (as defined in the Act); and

WHEREAS, Glenn Donnelly Partners, LLC, a New York limited liability company, or an entity to be formed (the “*Original Applicant*”), submitted its original application to the Agency on or about November 8, 2010 (“*Original Application*”), a copy of which is on file at the office of the Agency; and

WHEREAS, on or about October 12, 2011, prior to the Agency conducting a public hearing with respect thereto, the Original Applicant submitted a revised application (the “*Revised Application*”), a copy of which is on file at the office of the Agency; and

WHEREAS, on or about September 25, 2014 the application was again revised (the “*Second Revised Application*”) to reflect the further honing of the scope of the project and to reflect a new applicant; namely, the Central New York Raceway Park, Inc., or an entity to be formed (the “*Company*”) such that the Company is now requesting the Agency undertake a project (the “*Project*”) consisting of: (A) (i) the acquisition of a leasehold or fee interest in approximately 150 acres of improved real property located on Route 11 in the Town of Hastings, New York, Oswego County (the “*Land*”); (ii) (a) the demolition of an existing building(s) and the construction of: (b) an approximately 40,000 square foot grandstand building with restaurant and related seating, (c) an approximately 1,240 square foot control tower, (d) an approximately 2,400 square foot maintenance building, (e) an approximately 15,700 square foot 56 bay road course garage, (f) an approximately 624 square foot portable office/classroom building, (g) a grandstand, (h) an approximately 2 mile “Watkins Glen” style road course, (i) a one half mile synthetic surface racing oval, (j) associated parking including, but not limited to, RV parking with enhanced utility hookups for approximately 300 units; (k) construction of required off-sight wetland mitigation, (l) construction of NYS-DOT required off-sight highway improvements and (m) a tunnel and entrance roads; and all located on the Land (the foregoing collectively referred to as the “*Facility*”); (iii) the acquisition and installation on the Land and in, on and around the Facility of furniture, fixtures and equipment (the “*Equipment*”, together with the Land and the Facility, the “*Project Facility*”); (B) financing of all or a portion of the costs of the foregoing by the issuance of the Agency’s taxable revenue bonds (the “*Bonds*”) in an amount, presently estimated to aggregate up to \$20,000,000; (C) funding a Debt Service Reserve Fund and capitalized interest, if any; (D) granting certain other financial assistance in the form of exemptions from real property tax, mortgage recording tax and sales and use taxation (collectively with the Bonds, the “*Financial Assistance*”); and (E) the lease of the Land and Facility by the Agency pursuant to a lease or sale agreement; the acquisition by the Agency of an interest in the Equipment pursuant to a bill of sale from the Company; and the sublease of the Project Facility back to the Company pursuant to a sublease or sale agreement.

WHEREAS, the Project will act as a tourism destination; and

WHEREAS, the Agency adopted a resolution on April 11, 2016 describing the Project and the Financial Assistance and authorizing a public hearing (collectively, the “*Revised Initial Resolution*”); and

WHEREAS, the Agency conducted a public hearing with respect to the Project and the proposed Financial Assistance on April 18, 2016 pursuant to Section 859-a of the Act, notice of which was published on April 3, 2016 in The Post-Standard, a newspaper of general circulation in the County of Oswego, New York and given to the chief executive officers of the affected tax jurisdictions by letter dated April 1, 2016; and

WHEREAS, the Company has requested that the Agency authorize a temporary appointment of the Company for purposes of benefitting from the State and local sales and use tax exemption while the Company finalizes its approvals to close on the Lease Documents (as defined herein); and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law of the State of New York, as amended, and the regulations of the Department of Environmental Conservation of the State of New York promulgated thereunder (collectively referred to hereinafter as “*SEQRA*”), the Agency is required to make a determination whether the “action” (as said quoted term is defined in SEQRA) to be taken by the Agency may have a “significant impact on the environment” (as said quoted term is utilized in SEQRA) and the preliminary agreement of the Agency to undertake of the Project constitutes such an action; and

WHEREAS, the Town Board of the Town of Hastings acted as lead agency (“*Lead Agency*”) for the purpose of conducting a coordinated environmental review of the Project under SEQRA; and

WHEREAS, the Agency was an involved agency pursuant to SEQRA and consented to the Town of Hastings Town Board’s Lead Agency designation; and

WHEREAS, the Town of Hastings Town Board completed its SEQRA review of the project and adopted a Findings Statement dated August 12, 2014, which was binding on the Agency and is incorporated by reference here; and

WHEREAS, the Agency has considered the policy, purposes and requirements of the Act in making its determinations with respect to taking official action regarding the Project; and

WHEREAS, the Agency has given due consideration to the Application and to representations by the Company that the provision of Financial Assistance: (i) will induce the Company to develop the Project Facility in the County of Oswego; (ii) will not result in the removal of a commercial, industrial or manufacturing plant or facility of the Company or any other proposed occupant of the Project Facility from one area of the State to another area of the State or in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Project Facility located in the State, except as may be permitted by the Act; and (iii) the Project will serve the purposes of the Act by creating and/or preserving permanent, private sector jobs and advancing the health, general prosperity and economic welfare

of the people of the State.

NOW, THEREFORE, be it resolved by the members of the County of Oswego Industrial Development Agency, as follows:

Section 1. It is the policy of the State to promote the economic welfare, recreation opportunities and prosperity of its inhabitants and to actively promote, attract, encourage and develop economically sound commerce and industry for the purpose of preventing unemployment and economic deterioration. It is among the purposes of the Agency to promote, develop, encourage and assist in the acquiring, constructing, improving, maintaining, equipping and furnishing of certain facilities, including commercial facilities, and thereby advance the job opportunities, health, general prosperity and economic welfare of the people of the State and to improve their recreation opportunities, prosperity and standard of living.

Section 2. Based upon the representations and projections made by the Company to the Agency, the Agency hereby makes the following determinations:

- a. Ratifies the findings in its Initial Resolutions.
- b. The Agency is an Involved Agency and concurs with the findings of the Lead Agency and supports the issuance of the SEQRA Findings Statement.
- c. The Project constitutes a “project” within the meaning of the Act.
- d. The Project will act as a tourism destination.
- e. The commitment of the Agency to provide Financial Assistance to the Company will enable the Company to undertake the Project.
- f. The granting of the Financial Assistance will allow the construction and equipping of the Project and will promote employment opportunities, help prevent economic deterioration in the Town of Hastings and the County of Oswego by the creation and/or preservation of jobs and advance the health, general prosperity and economic welfare of the people of the State.
- g. The acquisition of a controlling interest in the Project Facility by the Agency and the designation of the Company as the Agency’s agent for construction, equipping and completion of the Project will be an inducement to the Company to construct, equip and operate the Project Facility in the County of Oswego, and will serve the purposes of the Act by, among other things, preserving and/or creating permanent private sector jobs, the general prosperity and economic welfare of the inhabitants of the County of Oswego and the granting of the Financial Assistance will assist in the financing the costs of the acquisition, construction and equipping of the Project.
- h. The Project will not result in the removal of a commercial, industrial or manufacturing plant or facility of the Company or any other proposed occupant of the Project Facility from one area of the State to another area of the State or result

in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Project Facility located in the State, except as may be permitted by the Act.

Section 3. Subject to the due execution and delivery by the Company of the Agreement (as defined herein) and a temporary sales tax appointment agreement (the “*Temporary Agreement*”), the satisfaction of the conditions of this Resolution, the Agreement and the Temporary Agreement, and the payment by the Company of any attendant fees, the Company is appointed the true and lawful agent of the Agency to proceed with the construction, equipping and completion of the Project, all with the same powers and the same validity as if the Agency were acting in its own behalf. The appointment made by this Section 3 shall not be effective until the Agreement referred to in Section 3 hereof is duly executed and delivered by the Company. Notwithstanding anything in the Agreement to the contrary, provided the Company execute and deliver the Temporary Agreement and the environmental compliance and indemnification agreement (as set forth herein), and satisfy the balance of the conditions set forth in this Resolution, the Temporary Agreement and the Agreement, the Company need not execute the Lease Documents prior to the effectiveness of the Company’s appointment as the Agency’s agent.

Section 4. Subject to the terms of this Resolution and conditions set forth in Section 4.02 of the Agreement (hereinafter defined), and subject to the Agency’s approval of the PILOT schedule, the Agency will: (i) acquire or continue a controlling interest in the Land and Facility pursuant to a lease agreement (the “*Company Lease*”) to be entered into between the Company and the Agency and accept supervision, jurisdiction and control of the Equipment pursuant to the Company Lease; (ii) sublease the Project Facility to the Company pursuant to a sublease agreement (the “*Agency Lease*” and together with the Company Lease and any other certificates and documents deemed necessary by the Agency to undertake the Project, collectively, the “*Lease Documents*”) to be entered into between the Agency and the Company; (iii) grant the Financial Assistance; (iv) provided that no default shall have occurred and be continuing under the Agreement, the Lease Documents or any loan documents, execute and deliver all other certificates and documents necessary or appropriate for the grant of the Financial Assistance requested by the Company, in form and substance acceptable to the Agency, or its commercial lender(s) in connection with financing for the Project, including but not limited to, one or more mortgages in favor of the Agency and/or the Company’s commercial lender(s).

Section 5. As a condition to the granting of the Financial Assistance, the Company agrees to execute an agreement with the Agency setting forth the preliminary undertakings of the Agency and the Company with respect to the Project. The form and substance of the proposed agreement (as set forth as on **Exhibit “A”** attached hereto and presented at this meeting) (the “*Agreement*”) are hereby approved. The Chief Executive Officer or (Vice) Chairperson of the Agency are each hereby authorized, on behalf of the Agency, to execute and deliver the Agreement, in substantially the same form as presented at this meeting and attached hereto as **Exhibit “A”**, with changes in terms and form as shall be consistent with this Resolution and as the Chief Executive Officer or (Vice) Chairperson shall approve. The execution thereof by the Chief Executive Officer or (Vice) Chairperson shall constitute conclusive evidence of such approval.

Section 6. The terms and conditions of subdivision 3 of Section 875 of the Act are herein incorporated by reference and the Company shall agree to such terms as a condition

precedent to receiving or benefiting from an exemption from New York State sales and use tax exemptions benefits. Notwithstanding anything herein to the contrary, the amount of State and local sales and use tax exemption benefits comprising the Financial Assistance approved herein shall not exceed **\$1,600,000**.

Section 7. The Company may utilize, and is hereby authorized to appoint, a Project operator, contractors, agents, subagents, subcontractors, contractors and subcontractors of such agents and subagents (collectively, “***Additional Agents***”) to proceed with the construction, equipping and completion of the Project, all with the same powers and the same validity as if the Agency were acting in its own behalf, provided the Company execute, deliver and comply with the Lease Documents and/or the Temporary Agreement. The Company shall provide or cause its Additional Agents to provide, and the Agency shall maintain, records of the amount of State and local sales and use tax exemption benefits provided to the Project; and the Company shall, and cause each Additional Agent, to make such records available to the State Commissioner of Taxation and Finance (the “***Commissioner***”) and the Agency upon request. The Agency shall, within thirty (30) days of providing any State sales and use tax exemption benefits, report to the Commissioner the amount of such benefits for the Project, identifying the Project, along with any such other information and specificity as the Commissioner may prescribe. As a condition precedent to the Company or Project’s receipt of, or benefit from, any State or local sales and use tax exemptions, the Company must acknowledge and agree to make, or cause its Additional Agents to make, all records and information regarding State and local sales and use tax exemption benefits realized by the Project available to the Agency or its designee upon request.

Section 8. The Chief Executive Officer or (Vice) Chairperson of the Agency, acting individually, are each hereby authorized and directed, for and in the name and on behalf of the Agency, to execute and deliver the documents and agreements identified herein and any such additional certificates, instruments, documents or affidavits, to pay any such other fees, charges and expenses, to make such other changes, omissions, insertions, revisions, or amendments to the documents referred herein and to do and cause to be done any such other acts and things, as they determine, on advice of counsel to the Agency, may be necessary or desirable to consummate the transactions contemplated by this Resolution and the Agreement.

Section 9. The obligation of the Agency to consummate any transaction contemplated herein or hereby is subject to and conditioned upon the execution and delivery of, among other things, an environmental compliance and indemnification agreement in favor of the Agency in form and substance acceptable to the Agency by the Company and some or all of its principals, in the discretion of the Chief Executive Officer or (Vice)Chairperson of the Agency.

Section 10. No covenant, stipulation, obligation or agreement contained in this Resolution or any document referred to herein shall be deemed to be the covenant, stipulation, obligation or agreement of any member, officer, agent or employee of the Agency in his or her individual capacity. Neither the members nor officers of the Agency, nor any person executing any documents referred to herein on behalf of the Agency, shall be liable thereon or be subject to any personal liability or accountability by reason of the execution or delivery thereof.

Section 11. Should the Agency’s participation in the Project, or the appointments made in accordance herewith, be challenged by any party, in the courts or otherwise, the Company shall

defend, indemnify and hold harmless the Agency and its members, officers and employees from any and all losses arising from any such challenge including, but not limited to, the fees and disbursement of the Agency’s counsel. Should any court of competent jurisdiction determine that the Agency is not authorized under the Act to participate in the Project, this Resolution shall automatically become null, void and of no further force and effect, and the Agency shall have no liability to the Company hereunder or otherwise.

Section 12. A copy of this Resolution, together with the attachments hereto, shall be placed on file in the office of the Agency where the same shall be available for public inspection during business hours.

Section 13. The Chief Executive Officer of the Agency is hereby authorized and directed to distribute copies of this Resolution to the Company and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 14. Counsel to the Agency and special Agency counsel are hereby authorized to work with the Company, and others to prepare, for submission to the Agency, all documents necessary to effect the grant of Financial Assistance and consummate the Lease Documents.

Section 15. This Resolution shall take effect immediately.

The question of the adoption of the foregoing resolution was duly put to vote on a roll call, which resulted as follows:

	<u>Aye</u>	<u>Nay</u>	<u>Abstain</u>	<u>Absent</u>	<u>Recuse</u>
Nick Canale, Jr.	X				
Donald H. Kunzwiler				X	
Carolyn A. Rush	X				
H. Leonard Schick	X				
Morris Sorbello				X	
Gary T. Toth	X				

The resolution was thereupon declared duly adopted.

STATE OF NEW YORK)

) ss.:

COUNTY OF OSWEGO)

I, the undersigned Chief Executive Officer of the County of Oswego Industrial Development Agency, Do Hereby Certify that (i) I have compared the annexed extract of the minutes of the meeting of the County of Oswego Industrial Development Agency (the “*Agency*”) held on April 27, 2016, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of the whole of such original insofar as the same relates to the subject matters referred to therein.

I Further Certify that (i) all members of the Agency had due notice of such meeting, (ii) pursuant to Section 104 of the Public Officers Law (Open Meetings Law), such meeting was open to the general public and public notice of the time and place of such meeting was duly given in accordance with such Section 104, (iii) the meeting was in all respects duly held, and (iv) there was a quorum present throughout.

In Witness Whereof, I have hereunto set my hand and affixed the seal of the Agency on April 27, 2016.

L. Michael Treadwell
Chief Executive Officer

(SEAL)

EXHIBIT "A"

AGENCY/COMPANY AGREEMENT

This Agreement is among the County of Oswego Industrial Development Agency (the "Agency") and Central New York Raceway Park, Inc. (the "Company").

Article 1. Preliminary Statement. Among the matters of mutual inducement which have resulted in the execution of this Agreement are the following:

1.01. The Agency is authorized and empowered by the provisions of Title 1 of Article 18-A of the General Municipal Law of the State of New York (the "State"), as amended, together with Chapter 234 of the Laws of 1973 of the State of New York, as amended from time to time (collectively, the "Act") to grant "financial assistance" (as defined in the Act) in connection with "Projects" (as defined in the Act) and to lease or sell the same upon such terms and conditions as the Agency may deem advisable and designate an agent for renovating and equipping "projects" (as defined in the Act).

1.02. The purposes of the Act are to promote, attract, encourage and develop recreation and economically sound commerce and industry in order to advance the job opportunities, health, general prosperity and economic welfare of the people of the State, to improve their recreation opportunities, prosperity and standard of living, and to prevent unemployment and economic deterioration. The Act vests the Agency with all powers necessary to enable it to accomplish such purposes, including the power to grant financial assistance, acquire and dispose of interests in real property and to appoint agents for the purpose of completion of projects undertaken by the Agency.

1.03. Glenn Donnelly Partners, LLC, a New York limited liability company, or an entity to be formed (the "**Original Applicant**"), submitted its original application to the Agency on or about November 8, 2010 ("**Original Application**"), a copy of which is on file at the office of the Agency. On or about October 12, 2011, prior to the Agency conducting a public hearing with respect thereto, the Original Applicant submitted a revised application (the "**Revised Application**"), a copy of which is on file at the office of the Agency. On or about September 25, 2014 the application was again revised (the "**Second Revised Application**") to reflect the further honing of the scope of the project and to reflect a new applicant; namely, the Central New York Raceway Park, Inc., or an entity to be formed (the "**Company**") such that the Company is now requesting the Agency undertake a project (the "**Project**") consisting of: (A) (i) the acquisition of a leasehold or fee interest in approximately 150 acres of improved real property located on Route 11 in the Town of Hastings, New York, Oswego County (the "**Land**"); (ii) (a) the demolition of an existing building(s) and the construction of: (b) an approximately 40,000

square foot grandstand building with restaurant and related seating, (c) an approximately 1,240 square foot control tower, (d) an approximately 2,400 square foot maintenance building, (e) an approximately 15,700 square foot 56 bay road course garage, (f) an approximately 624 square foot portable office/classroom building, (g) a grandstand, (h) an approximately 2 mile “Watkins Glen” style road course, (i) a one half mile synthetic surface racing oval, (j) associated parking including, but not limited to, RV parking with enhanced utility hookups for approximately 300 units; (k) construction of required off-sight wetland mitigation, (l) construction of NYS-DOT required off-sight highway improvements and (m) a tunnel and entrance roads; and all located on the Land (the foregoing collectively referred to as the “**Facility**”); (iii) the acquisition and installation on the Land and in, on and around the Facility of furniture, fixtures and equipment (the “**Equipment**”, together with the Land and the Facility, the “**Project Facility**”); (B) financing of all or a portion of the costs of the foregoing by the issuance of the Agency’s taxable revenue bonds (the “**Bonds**”) in an amount, presently estimated to aggregate up to \$20,000,000; (C) funding a Debt Service Reserve Fund and capitalized interest, if any; (D) granting certain other financial assistance in the form of exemptions from real property tax, mortgage recording tax and sales and use taxation (collectively with the Bonds, the “**Financial Assistance**”); and (E) the lease of the Land and Facility by the Agency pursuant to a lease or sale agreement; the acquisition by the Agency of an interest in the Equipment pursuant to a bill of sale from the Company; and the sublease of the Project Facility back to the Company pursuant to a sublease or sale agreement.

1.03(a). All documents necessary to effectuate the Agency’s undertaking of the Project and the granting of the Financial Assistance between the Agency and the Company, including but not limited to, a company lease, an agency lease, a bill of sale and an environmental compliance and indemnification agreement, shall be collectively referred to herein as the “**Lease Documents**”.

1.04. The Company hereby represents to the Agency that undertaking the Project, the designation of the Company as the Agency’s agent for the construction, equipping and completion of the Project Facility, and the appointment by the Company of a Project operator, contractors, agents, subagents, subcontractors, contractors and subcontractors of such agents and subagents (collectively, “**Additional Agents**”): (i) will be an inducement to it to construct and equip the Project Facility in the County of Oswego (the “**County**”) and assist the Company in expanding and maintaining its competitive advantage in its industry; (ii) will not result in the removal of a commercial, industrial or manufacturing plant or facility of the Company or of any other proposed occupant of the Project Facility from one area of the State to another or in the abandonment of one or more plants or facilities of the Company or of any other proposed occupant of the Project Facility located in the State, except as may be permitted by the Act; and (iii) undertaking the Project will promote, create and/or preserve private sector jobs in the State. The Company hereby further represents to the Agency that the Project Facility is not primarily used in making retail sales to customers who personally visit the Facility.

1.05. The Agency has determined that the acquisition or continuation of a controlling interest in, and the construction and equipping of the Project Facility and the subleasing of the same to the Company will promote and further the purposes of the Act.

1.06 On April 27, 2016, the Agency adopted a resolution (the “**Inducement Resolution**”) agreeing, subject to the satisfaction of all conditions precedent set forth in such Resolution, to designate the Company as the Agency’s agent for the acquisition, construction and equipping of the Project Facility and determining that the leasing of the same to the Company will promote further purposes of the Act. For purposes of that designation, the Agency authorized as part of the approved Financial Assistance, State and local sales and use tax exemption benefits in an amount not exceed **\$1,600,000**.

1.07 In the Resolution, subject to the execution of, and compliance with, this Agreement by the Company, and other conditions set forth in the Resolution and herein, the Agency appointed the Company as its agent for the purposes of construction and equipping the Project Facility, entering into contracts and doing all things requisite and proper for construction and equipping the Project Facility.

Article 2. Undertakings on the Part of the Agency. Based upon the statements, representations and undertakings of the Company and subject to the conditions set forth herein, the Agency agrees as follows:

2.01. The Agency confirms that it has authorized and designated the Company as the Agency’s agent for acquiring, constructing and equipping the Project Facility.

2.02. The Agency will adopt such proceedings and authorize the execution of such Agency documents as may be necessary or advisable for: (i) acquisition of a controlling interest in the Project Facility; (ii) appointment by the Company of Additional Agents, all for construction and equipping of the Project Facility subject to the terms of the Resolution and hereof; and (iii) the leasing or subleasing of the Project Facility to the Company, all as shall be authorized by law and be mutually satisfactory to the Agency and the Company.

2.03 Nothing contained in this Agreement shall require the Agency to apply its funds to Project costs.

2.04. After satisfying the conditions precedent set forth in the Sections 2.02, 3.06 and 4.02 hereof and in the Inducement Resolution, the Company may proceed with the construction and equipping of the Project Facility and the utilization of and, as necessary, the appointment of Additional Agents.

2.05 Subject to Section 4.02 hereof, the Company is appointed the true and lawful agent of the Agency for the construction and equipping of the Project Facility, and to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agent for the Agency, and in general to do all things which may be requisite or proper for the construction and equipping of the Project Facility, all with the same powers and the same validity as if the Agency were acting in its own behalf.

2.06. The Agency will take or cause to be taken such other acts and adopt such further proceedings as may be required to implement the aforesaid undertakings or as

it may deem appropriate in pursuance thereof. The Agency may in accordance with Article 8 of the Environmental Conservation Law of the State of New York, as amended, and the regulations of the Department of Environmental Conservation of the State of New York promulgated thereunder (collectively referred to hereinafter as “*SEQRA*”), undertake supplemental review of the Project. Such review to be limited to specific significant adverse environmental impacts not addressed or inadequately addressed in the Agency’s review under SEQRA that arise from changes in the proposed Project, newly discovered information or a change in the circumstances related to the Project.

Article 3. Undertakings on the Part of the Company. Based upon the statements, representations and undertakings of the Agency and subject to the conditions set forth herein, the Company agrees as follows:

3.01. (a) The Company shall indemnify and hold the Agency harmless from all losses, expenses, claims, damages and liabilities arising out of or based on labor, services, materials and supplies, including equipment, ordered or used in connection with the acquisition of a controlling interest in, construction and equipping of the Project Facility (including any expenses incurred by the Agency in defending any claims, suits or actions which may arise as a result of any of the foregoing) whether such claims or liabilities arise as a result of the Company or Additional Agents acting as agent for the Agency pursuant to this Agreement or otherwise.

(b) The Company shall not permit to stand, and will, at its own expense, take all steps reasonably necessary to remove, any mechanics' or other liens against the Project Facility for labor or material furnished in connection with the acquisition, construction and equipping of the Project Facility.

(c) The Company shall indemnify and hold the Agency, its members, officers, employees and agents and anyone for whose acts or omissions the Agency or any one of them may be liable, harmless from all claims and liabilities for loss or damage to property or any injury to or death of any person that may be occasioned subsequent to the date hereof by any cause whatsoever in relation to the Project, including any expenses incurred by the Agency in defending any claims, suits or actions which may arise as a result of the foregoing.

(d) The Company shall defend, indemnify and hold the Agency harmless from all losses, expenses, claims, damages and liabilities arising out of or based on the non-disclosure of information, if any, requested by the Company in accordance with Section 4.05 hereof.

(e) The defense and indemnities provided for in this Article 3 shall survive expiration or termination of this Agreement and shall apply whether or not the claim, liability, cause of action or expense is caused or alleged to be caused, in whole or in part, by the activities, acts, fault or negligence of the Agency, its members, officers, employees and agents, anyone under the direction and control of any of them, or anyone for whose acts or omissions the Agency or any of them may be liable, and whether or not based upon the breach of a statutory

duty or obligation or any theory or rule of comparative or apportioned liability, subject only to any specific prohibition relating to the scope of indemnities imposed by statutory law.

(f) The Company shall provide and carry: (i) worker's compensation and disability insurance as required by law; and (ii) comprehensive liability and property insurance with such coverages (including without limitation, owner's protective coverage for the benefit of the Agency, naming the Agency as an additional insured on all policies of coverage regarding the Project; providing the coverage with respect to the Agency be primary and non-contributory; and contractual coverage covering the indemnities herein provided for), with such limits and which such companies as may be approved by the Agency. Upon the request of the Agency, the Company shall provide certificates and/or policies of insurance in form satisfactory to the Agency evidencing such insurance.

(g) The Company shall include the Agency as a named insured under all public liability insurance policies obtained by the Company with respect to the Project Facility.

(h) The Company shall apply and diligently pursue all approvals, permits and consents from the State of New York, the Town of Hastings, County of Oswego and any other governmental authority which approvals, permits and consents are required under applicable law for the development, construction of the Project and any related site improvements. The Company acknowledges and agrees that the Agency's findings and determinations under SEQRA do not and shall not in and of themselves (except as specifically set forth in SEQRA) satisfy or be deemed to satisfy applicable laws, regulations, rules and procedural requirements applicable to such approvals, permits and consents.

3.02. The Company agrees that, as agent for the Agency or otherwise, it will comply at the Company's sole cost and expense with all the requirements of all federal, state and local laws, rules and regulations of whatever kind and howsoever denominated applicable to the Agency and/or Company with respect to the Project Facility, the acquisition of a controlling interest therein, construction and equipping thereof, the operation and maintenance of the Project Facility, supplemental review of adverse environmental impacts in accordance with SEQRA and the financing of the Project. Every provision required by law to be inserted herein shall be deemed to be set forth herein as if set forth in full, including, but not limited to, Section 875 of the Act; and upon the request of either party, this Agreement shall be amended to specifically set forth any such provision or provisions.

3.03. The Company agrees that, as agent for the Agency, to the extent that such provisions of law are in fact applicable (without creating an obligation by contract beyond that which is created by statute), it will comply with all the requirements Section 220 of the Labor Law of the State of New York, as amended.

3.04. The Company will take such further action and adopt such further proceedings as may be required to implement its aforesaid undertakings or as it may deem appropriate in pursuance thereof.

3.05. If it should be determined that any State or local sales or compensatory use taxes are payable with respect to the acquisition, purchase or rental of machinery or equipment, materials or supplies in connection with the Project Facility, or are in any manner otherwise payable directly or indirectly in connection with the Project Facility, the Company shall pay the same and defend and indemnify the Agency from and against any liability, expenses and penalties arising out of, directly or indirectly, the imposition of any such taxes.

3.06 The Company shall proceed with the acquisition, construction and equipping of the Project Facility and advance such funds as may be necessary to accomplish such purposes. The Company may utilize, and was authorized to appoint, Additional Agents as agents of the Agency, in furtherance thereof. Any appointment of an Additional Agent is conditioned upon the Company first obtaining and providing the Agency the following:

(1) A written, executed agreement, in form and substance acceptable to the Agency, from each appointed Additional Agent which provides for: (i) the assumption by the Additional Agent, for itself, certain of the obligations under this Agreement relative to the appointment, work and purchases done and made by each appointed Additional Agent; (ii) an acknowledgement by the Additional Agent to hire from the local labor pool during the construction period of the Project Facility whenever practicable; (iii) an acknowledgement that the Additional Agent is obligated, to timely provide the Company with the necessary information to permit the Company, pursuant to General Municipal Law §874(8), to timely file an Annual Statement with the New York State Department of Taxation and Finance on “Annual Report of Sales and Use Tax Exemptions” (Form ST-340) regarding the value of sales and use tax exemptions the Additional Agent claimed pursuant to the agency conferred on it by the Company with respect to this Project; (iv) an acknowledgment by the Additional Agent that in order to be entitled to the exemption, the Additional Agent shall present to the supplier or other vendor of materials or equipment for the Project Facility a completed “IDA Agent or Project Operator Exempt Purchase Certificate” (Form ST-123); (v) an acknowledgment by the Additional Agent that that the failure to comply with the foregoing will result in the loss of the exemption; and (vi) such other terms and conditions as the Agency deems necessary; and

(2) A completed “IDA Appointment of Project Operator or Agent for Sales Tax Purposes” (Form ST-60) for each Additional Agent appointed within fifteen (15) days of the appointment of each Additional Agent such that the Agency can execute and deliver said form to the State Department of Taxation and Finance within thirty (30) days of appointment of each such Additional Agent.

Failure of the Company to comply with the foregoing shall nullify the appointment of any Additional Agent and may result in the loss of the Company’s exemption with respect to the Project at the sole discretion of the Agency.

The Company acknowledges that the assumption by the Additional Agent in accordance with Section 3.06(1) above, does not relieve the Company of its obligations under those provisions or any other provisions of this Agreement with respect to the Project.

3.07 The Company hereby ratifies and confirms its obligations to pay an administrative fee to the Agency in the amount of .75% of the Project costs. Such amount is due and payable in full at closing.

3.08 The Company hereby ratifies and confirms its obligations to pay an annual administrative reporting fee of \$500.00 to cover administrative and reporting requirements to comply with New York State reporting regulations on Agency assisted projects.

Article 4. General Provisions.

4.01. This Agreement shall take effect on the date of the execution hereof by the Agency and the Company and, subject to Section 4.04 hereof, shall remain in effect until the Lease Documents become effective. It is the intent of the Agency and the Company that, except as to those provisions that survive, this Agreement be superseded in its entirety by the Lease Documents.

4.02. (a) It is understood and agreed by the Agency and the Company that the grant of Financial Assistance and the execution of the Lease Documents and related documents are subject to: (i) payment by the Company of the Agency's fee and Agency's counsel fees; (ii) obtaining all necessary governmental approvals, permits and consents of any kind required in connection with the Project Facility; (iii) approval by the members of the Agency; (iv) approval by the Company; and (v) the condition that there are no changes in New York State Law, including regulations, which prohibit or limit the Agency from fulfilling its obligations hereunder; (b) The Company, by executing this agreement, acknowledges and agrees to make, or cause its Additional Agents, whether appointed as an agent of the Agency in accordance with Section 3.06 hereof or not, to make, all records and information regarding State and local sales and use tax exemption benefits given to the Project as part of the Financial Assistance available to the Agency upon request, including but not limited to the Form ST-340 for itself and each Additional Agent; (c) the Company, by executing this Agreement, acknowledges and agrees to the terms and conditions of Section 875(3) of the Act as if such section were fully set forth herein and further agrees to cause all of its Additional Agents to acknowledge, agree and consent to same. Without limiting the scope of the foregoing the Company acknowledges that pursuant to Section 875(3) of the Act, and in accordance with the Agency's policy and/or position, the Agency shall recover, recapture, receive or otherwise obtain from the Company the portion of the Financial Assistance (the "**Recapture Amount**") consisting of: (1) (a) that portion of the State sales tax exemption to which the Company was not entitled, which is in excess of the amount of the State sales tax exemption authorized by the Agency or which is for property or services not authorized by the Agency; or (b) the full amount of such State sales tax exemption, if the Company fails to comply with a material term or condition regarding the use of the property or services as represented to the Agency in its Application or otherwise; and (2) any interest or penalties thereon imposed by the Agency or by operation of law or by judicial order or otherwise; and (d) The failure of the Company to promptly pay such Recapture Amount to the Agency will be grounds for the Commissioner to collect sales and use taxes from the Company under Article 28 of the State Tax Law, together with interest and penalties. In addition to the foregoing, the

Company acknowledges and agrees that for purposes of exemption from New York State (the “*State*”) sales and use taxation as part of the Financial Assistance requested, “sales and use taxation” shall mean sales and compensating use taxes and fees imposed by article twenty-eight or twenty-eight-A of the New York State tax law but excluding such taxes imposed in a city by section eleven hundred seven or eleven hundred eight of such article twenty-eight.

4.03. The Company agrees that it will, within thirty (30) days of a written request for same, regardless of whether or not this matter closes or the Project Facility is completed: (i) reimburse the Agency for all reasonable and necessary expenses, including without limitation the fees and expenses of counsel to the Agency arising from, out of or in connection with the Project, and/or any documents executed in connection therewith, including, but not limited to any claims or actions taken by the Agency against the Company, Additional Agents or third parties; and (ii) indemnify the Agency from all losses, claims, damages and liabilities, in each case which the Agency may incur as a consequence of executing this Agreement or performing its obligations hereunder, including but not limited to, any obligations related to Additional Agents.

4.04. If for any reason the Lease Documents are not executed and delivered by the Company and the Agency on or before eighteen (18) months from the execution hereof, the provisions of this Agreement (other than the provisions of Articles 1.04, 2.02, 2.04, 3.01, 3.02, 3.03, 3.05, 3.06, 4.02, 4.03, 4.04, 4.05 and 4.06, which shall survive) shall unless extended by agreement of the Agency and the Company, terminate and be of no further force or effect, and following such termination neither party shall have any rights against the other party except:

(a) The Company shall pay the Agency for all expenses incurred by the Agency in connection with the acquisition, construction and equipping of the Project Facility;

(b) The Company shall assume and be responsible for any contracts for construction or purchase of equipment entered into by the Agency at the request of or as agent for the Company in connection with the Project Facility; and

(c) The Company will pay the out-of-pocket expenses of members of the Agency, counsel for the Agency and special Agency counsel incurred in connection with the Project and will pay the fees of counsel for the Agency and special Agency counsel for legal services relating to the Project Facility, Additional Agents or the proposed financing thereof.

4.05. The Company acknowledges that Section 875(7) of the New York General Municipal Law (“GML”) requires the Agency to post on its website all resolutions and agreements relating to the Company’s appointment as an agent of the Agency or otherwise related to the Project, including this Agreement; and Article 6 of the New York 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 Company feels that there are elements of the Project or information about the Company in the Agency’s possession 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 Company's competitive position, the Company must identify such elements in writing, supply same to the Agency: (i) with respect to this Agreement, prior to or contemporaneously with the execution hereof; and (ii) with respect to all other agreements executed in connection with the Project, on or before the Closing Date, and request that such elements be kept confidential in accordance with Article 6 of the Public Officers Law. Failure to do so will result in the posting by the Agency of all information in accordance with Section 875 of the GML.

4.06 That every controversy, dispute or claim arising out of or relating to this Agreement shall be governed by the laws of the State of New York, without regard to its conflict-of-laws provisions that if applied might require the application of the laws of another jurisdiction; and that the Company irrevocably and expressly submits to the exclusive personal jurisdiction of the Supreme Court of the State of New York and the United States District Court for the Northern District of New York, to the exclusion of all other courts, for the purposes of litigating every controversy, dispute or claim arising out of or relating to this Agreement.

IN WITNESS WHEREOF, the parties hereto have entered in this Agreement as of April 27, 2016.

**COUNTY OF OSWEGO INDUSTRIAL
DEVELOPMENT AGENCY**

By: _____
L. Michael Treadwell
Chief Executive Officer

CENTRAL NEW YORK RACEWAY PARK, INC.

By: _____
Name:
Title:

PILOT RESOLUTION

A regular meeting of the County of Oswego Industrial Development Agency was convened in public session on April 27, 2016 at 9:00 a.m., at 44 West Bridge Street, Oswego, New York.

The meeting was called to order by the Chair and, upon the roll being duly called, the following members were:

PRESENT: Nick Canale, Jr., Carolyn A. Rush, H. Leonard Schick and Gary T. Toth

ABSENT: Donald H. Kunzwiler and Morris Sorbello

ALSO PRESENT: Kevin C. Caraccioli, David S. Dano, Roy Reehil, Greg Rigby, L. Michael Treadwell and Teresa Woolson

The following resolution was duly offered and seconded:

RESOLUTION APPROVING A PAYMENT IN LIEU OF TAX SCHEDULE AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS BY THE AGENCY IN CONNECTION WITH A CERTAIN PROJECT UNDERTAKEN AT THE REQUEST OF THE COMPANY

WHEREAS, the County of Oswego Industrial Development Agency (the “*Agency*”) is authorized and empowered by Title 1 of Article 18-A of the General Municipal Law of the State of New York (the “*State*”), as amended, together with Chapter 234 of the Laws of 1973 of the State of New York, as amended from time to time (collectively, the “*Act*”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, including industrial pollution control facilities, railroad facilities and certain horse racing facilities, for the purpose of promoting, attracting, encouraging and developing recreation and economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State, to improve their recreation opportunities, prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, lease, and sell real property and grant financial assistance in connection with one or more “projects” (as defined in the Act); and

WHEREAS, Altmar Genesee LLC, or an entity to be formed (collectively, the

“*Company*”), submitted an application to the Agency on or about November 12, 2015 (the “*Application*”), a copy of which is on file at the office of the Agency, requesting the Agency undertake a project (the “*Project*”) consisting of: (A) (i) the acquisition or continuation of a leasehold interest in approximately 35 acres of improved real property located at 52 Pulaski Street, in the Town of Albion, New York, Oswego County (the “*Land*”); (ii) the construction of a new 10,000 square foot addition to the existing building for use as a full service banquet and catering facility and the expansion of the parking facility and other related site work (collectively, the “*Facility*”) complementing the Tailwater Lodge, a facility previously undertaken by the Agency, all located on the Land; (iii) the acquisition of and installation in the Facility of various machinery, equipment and furnishings (collectively the “*Equipment*”) (the Land, Facility and Equipment are hereinafter collectively referred to as the “*Project Facility*”); (B) the granting of certain financial assistance in the form of exemption from real property tax, mortgage recording tax and State and local sales and use tax (collectively, the “*Financial Assistance*”); and (C) the lease of the Land and Facility by the Agency pursuant to a lease agreement; the acquisition of an interest in the Equipment pursuant to a bill of sale; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement; and

WHEREAS, the Company has represented that the Project Facility is located in a Highly Distressed Area as that term is defined in the Act and will be a tourist destination; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law of the State of New York, as amended, and the regulations of the Department of Environmental Conservation of the State of New York promulgated thereunder (collectively referred to hereinafter as “*SEQRA*”), the Agency is required to make a determination whether the “action” (as said quoted term is defined in SEQRA) to be taken by the Agency may have a “significant impact on the environment” (as said quoted term is utilized in SEQRA), and the preliminary agreement of the Agency to undertake of the Project constitutes such an action; and

WHEREAS, on April 11, 2016, the Agency adopted a resolution determining that pursuant to SEQRA the Project constitutes an Unlisted Action requiring no further review under SEQRA and issued a negative declaration (the “*SEQRA Resolution*”); and

WHEREAS, on April 11, 2016 the Agency adopted a Resolution (the “*Inducement Resolution*”) undertaking the Project and appointing the Company as its agent for purposes of completing the Project Facility; and

WHEREAS, in the Application, the Company also requested that the Agency consider a payment in lieu of tax (“*PILOT*”) schedule, more fully described on **Exhibit “A”** attached hereto, and such schedule constitutes a deviation from the Agency’s Uniform Tax Exemption Policy (“*UTEF*”) established pursuant to Section 874(4) of the Act but comports with PILOTS for other similar projects; and

WHEREAS, by letters dated March 16, 2016, the Agency gave to the chief executive officers of the affected taxing jurisdictions notice pursuant to Section 874 of the Act of this meeting (the “*Notice*”), at which the Agency would consider the Company’s request for a PILOT schedule which deviates from the UTEF; and

WHEREAS, the Agency has given due consideration to the Application and to representations by the Company that the provision of Financial Assistance: (i) will induce the Company to develop the Project Facility in the Village of Albion, (ii) will not result in the removal of a commercial, industrial or manufacturing plant or facility of the Company or any other proposed occupant of the Project Facility from one area of the State of New York (the “*State*”) to another area of the State or in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Project Facility located in the State, except as may be permitted by the Act; (iii) undertaking the Project will create and/or preserve permanent private sector jobs in the State; and (iv) advance the health, general prosperity and economic welfare of the people of the State.

NOW, THEREFORE, be it resolved by the members of the County of Oswego Industrial Development Agency, as follows:

Section 1. It is the policy of the State to promote the health, economic welfare, recreation opportunities and prosperity of its inhabitants and to actively promote, attract, encourage and develop recreation and economically sound commerce and industry for the purpose of preventing unemployment and economic deterioration. It is among the purposes of the Agency to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of certain facilities, including commercial facilities, and thereby advance the job opportunities, health, general prosperity and economic welfare of the people of the State and to improve their recreation opportunities, prosperity and standard of living.

Section 2. The Agency ratifies all prior Resolutions passed in connection with this proposed Project.

Section 3. Based upon the representations made by the Company to the Agency, and the reasons presented by the Company in support of its request for the PILOT schedule, as set forth in the **Exhibit “A”** attached hereto, the PILOT schedule is hereby approved. The Chief Executive Officer of the Agency is hereby authorized to execute and deliver a PILOT agreement and any related documents reflecting the PILOT schedule in a form substantially similar to PILOT agreements used in similar transactions with the Agency which is acceptable to the Chief Executive Officer upon advice of counsel.

Section 4. No covenant, stipulation, obligation or agreement contained in this resolution or any document referred to herein shall be deemed to be the covenant, stipulation, obligation or agreement of any member, officer, agent or employee of the Agency in his or her individual capacity. Neither the members nor officers of the Agency, nor any person executing any documents referred to herein on behalf of the Agency, shall be liable thereon or be subject to any personal liability or accountability by reason of the execution or delivery thereof.

Section 5. A copy of this Resolution shall be placed on file in the office of the Agency where the same shall be available for public inspection during business hours.

Section 6. The Chief Executive Officer of the Agency is hereby authorized and

directed to distribute copies of this Resolution to the Company and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution as well as all previously approved Resolutions.

Section 7. Counsel to the Agency and special Agency counsel are hereby authorized to work with the Company, and others to prepare, for submission to the Agency, all documents necessary to effect the grant of Financial Assistance, including, but not limited to, a PILOT agreement.

Section 8. This Resolution shall take effect immediately.

The question of the adoption of the foregoing resolution was duly put to vote on a roll call, which resulted as follows:

	<u>Aye</u>	<u>Nay</u>	<u>Abstain</u>	<u>Absent</u>	<u>Recuse</u>
Nick Canale, Jr.	X				
Donald H. Kunzwiler				X	
Carolyn A. Rush	X				
H. Leonard Schick	X				
Morris Sorbello				X	
Gary T. Toth	X				

The resolution was thereupon declared duly adopted.

STATE OF NEW YORK)
) **SS.:**
COUNTY OF OSWEGO)

I, the undersigned Chief Executive Officer of the County of Oswego Industrial Development Agency, Do Hereby Certify that (i) I have compared the annexed extract of the minutes of the meeting of the County of Oswego Industrial Development Agency (the “*Agency*”) held on April 27, 2016, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of the whole of such original insofar as the same relates to the subject matters referred to therein.

I Further Certify that (i) all members of the Agency had due notice of such meeting, (ii) pursuant to Section 104 of the Public Officers Law (Open Meetings Law), such meeting was open to the general public and public notice of the time and place of such meeting was duly given in accordance with such Section 104, (iii) the meeting was in all respects duly held, and (iv) there was a quorum present throughout.

In Witness Whereof, I have hereunto set my hand and affixed the seal of the Agency on April 27, 2016.

L. Michael Treadwell
Chief Executive Officer

(SEAL)

EXHIBIT "A"

PILOT SCHEDULE

- Current Assessed Value is \$2,100,000
- PILOT on the Current Assessed Value extends to 2023
- 2016 PILOT = \$33,880 (3rd year of 10 years).
- Exemptions for next 7 years are:

<u>Years</u>	<u>Exemption</u>
Yr. 4	50%
Yr. 5-6	40%
Yr. 7-8	30%
Yr. 9	20%
Yr. 10	10%
Yr. 11	0%

Exemption schedule associated with the new banquet project would be the following 20 year schedule on any net increase in assessment above the Base \$2,100,000.

<u>Years</u>	<u>Exemption</u>
1-5	75%
6-10	60%
11-12	50%
13-14	40%
15-16	30%
17-18	20%
19-20	10%

Annual payments would be distributed on a pro-rata basis to each taxing authority based on current year's tax rates.

FINAL APPROVING RESOLUTION

A regular meeting of the County of Oswego Industrial Development Agency was convened in public session on April 27, 2016, at 9:00 a.m., at 44 West Bridge Street, Oswego, New York.

The meeting was called to order by the Chair and, upon the roll being duly called, the following members were:

PRESENT: Nick Canale, Jr., Carolyn A. Rush, H. Leonard Schick and Gary T. Toth

ABSENT: Donald H. Kunzwiler and Morris Sorbello

ALSO PRESENT: Kevin C. Caraccioli, David S. Dano, Roy Reehil, Greg Rigby, L. Michael Treadwell and Teresa Woolson

The following resolution was duly offered and seconded:

RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS BY THE AGENCY IN CONNECTION WITH A PROJECT UNDERTAKEN AT THE REQUEST OF THE COMPANY

WHEREAS, the County of Oswego Industrial Development Agency (the “*Agency*”) is authorized and empowered by Title 1 of Article 18-A of the General Municipal Law of the State of New York (the “*State*”), as amended, together with Chapter 234 of the Laws of 1973 of the State of New York, as amended from time to time (collectively, the “*Act*”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, including industrial pollution control facilities, railroad facilities and certain horse racing facilities, for the purpose of promoting, attracting, encouraging and developing recreation and economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State, to improve their recreation opportunities, prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to grant “financial assistance” (as defined in the Act) in connection with the acquisition, construction and equipping of one or more “projects” (as defined in the Act); and

WHEREAS, Altmar Genesee LLC, or an entity to be formed (collectively, the “**Company**”), submitted an application to the Agency on or about November 12, 2015 (the “**Application**”), a copy of which is on file at the office of the Agency, requesting the Agency undertake a project (the “**Project**”) consisting of: (A) (i) the acquisition or continuation of a leasehold interest in approximately 35 acres of improved real property located at 52 Pulaski Street, in the Town of Albion, New York, Oswego County (the “**Land**”); (ii) the construction of a new 10,000 square foot addition to the existing building for use as a full service banquet and catering facility and the expansion of the parking facility and other related site work (collectively, the “**Facility**”) complementing the Tailwater Lodge, a facility previously undertaken by the Agency, all located on the Land; (iii) the acquisition of and installation in the Facility of various machinery, equipment and furnishings (collectively the “**Equipment**”) (the Land, Facility and Equipment are hereinafter collectively referred to as the “**Project Facility**”); (B) the granting of certain financial assistance in the form of exemption from real property tax, mortgage recording tax and State and local sales and use tax (collectively, the “**Financial Assistance**”); and (C) the lease of the Land and Facility by the Agency pursuant to a lease agreement; the acquisition of an interest in the Equipment pursuant to a bill of sale; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement; and

WHEREAS, the Company has represented that the Project Facility is located in a Highly Distressed Area as that term is defined in the Act and will be a tourist destination; and

WHEREAS, the Agency conducted a public hearing with respect to the Project and the proposed Financial Assistance on March 14, 2016 pursuant to Section 859-a of the Act, notice of which was published on February 28, 2016 in The Post-Standard, a newspaper of general circulation in the County of Oswego, New York and given to the chief executive officers of the affected tax jurisdictions by letter dated February 26, 2016; and

WHEREAS, the Agency adopted a resolution on November 30, 2015 (the “**Initial Resolution**”) entitled:

RESOLUTION DETERMINING THAT THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF A COMMERCIAL FACILITY AT THE REQUEST OF THE COMPANY CONSTITUTES A PROJECT AND DESCRIBING THE FINANCIAL ASSISTANCE REQUESTED IN CONNECTION THEREWITH AND AUTHORIZING A PUBLIC HEARING

which resolution is in full force and effect and has not been amended or modified; and

WHEREAS, the Agency adopted a resolution on April 11, 2016 (the “**SEQRA Resolution**”) entitled:

RESOLUTION CLASSIFYING A CERTAIN PROJECT AS AN UNLISTED ACTION PURSUANT TO THE STATE ENVIRONMENTAL QUALITY REVIEW ACT AND DETERMINING THAT THE PROJECT WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT

which resolution is in full force and effect and has not been amended or modified;

WHEREAS, the Agency adopted a resolution on April 11, 2016 (the “*Inducement Resolution*”) entitled:

RESOLUTION UNDERTAKING THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF A CERTAIN PROJECT, APPOINTING THE COMPANY AS AGENT OF THE AGENCY FOR THE PURPOSE OF THE ACQUISITION, CONSTRUCTION, EQUIPPING AND COMPLETION OF THE PROJECT; APPROVING FINANCIAL ASSISTANCE IN THE FORM OF EXEMPTIONS FROM REAL PROPERTY TAX; STATE AND LOCAL SALES AND USE TAX; AND MORTGAGE RECORDING TAX; AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN AGREEMENT BETWEEN THE AGENCY AND THE COMPANY

which resolution is in full force and effect and has not been amended or modified;

WHEREAS, the Agency adopted a resolution on April 27, 2016 (the “*PILOT Resolution*”) entitled:

RESOLUTION APPROVING A PAYMENT IN LIEU OF TAX SCHEDULE AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS BY THE AGENCY IN CONNECTION WITH A CERTAIN PROJECT UNDERTAKEN AT THE REQUEST OF THE COMPANY

which resolution is in full force and effect and has not been amended or modified; and

NOW, THEREFORE, be it resolved by the members of the County of Oswego Industrial Development Agency, as follows:

Section 1. It is the policy of the State to promote the health, economic welfare, recreation opportunities and prosperity of its inhabitants and to actively promote, attract, encourage and develop recreation and economically sound commerce and industry for the purpose of preventing unemployment and economic deterioration. It is among the purposes of the Agency to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving,

maintaining, equipping and furnishing of certain facilities, including commercial facilities, and thereby advance the job opportunities, health, general prosperity and economic welfare of the people of the State and to improve their recreation opportunities, prosperity and standard of living.

Section 2. Based upon the representations and projections made by the Company to the Agency and after considering those representations, the Agency hereby makes the following determinations:

- a) Ratifies the findings in its Initial, SEQRA, Inducement and PILOT Resolutions.
- b) The granting of the Financial Assistance will be an inducement to the Company to develop the Project in the Village of Albion, County of Oswego; and will assist the Company in its expansion.
- c) The commitment of the Agency to provide the Financial Assistance to the Company will enable the Company to acquire, construct, equip and complete the Project Facility.
- d) The Company has represented that the Project Facility is located in a Highly Distressed Area as that term is defined in the Act and will be a tourist destination.
- e) The acquisition, construction and equipping of the Project Facility will promote employment opportunities and help prevent economic deterioration in the Village of Albion and County of Oswego by the creation of both full and part-time jobs.
- f) The renovation, equipping and operation of the Project Facility and the attendant promotion of the local economy will advance the job opportunities, health, prosperity and economic welfare of the people of the County of Oswego and the granting of the Financial Assistance is a necessary component to the financing of the Project.
- g) The Project will not result in the removal of any commercial, industrial or manufacturing plant or facility of the Company or of any other proposed occupant of the Project Facility from one area of the State to another area of the State or in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Project Facility located in the State, except as may be permitted by the Act.

Section 3. Subject to the conditions set forth in Section 4.02 of the Agreement (as that term is defined in the Inducement Resolution), this Resolution, the Inducement Resolution and the PILOT Resolution (collectively the “**Resolutions**”), the Agency will: (A) acquire a controlling interest in the Project Facility; (B) lease the Land and Facility from the Company pursuant to a lease agreement between the Agency and the Company (the “**Company Lease**”) and acquire an interest in the Equipment pursuant to a bill of sale from the Company (the “**Bill of Sale**”); and sublease the Project Facility to the Company, pursuant to a sublease agreement which shall be consistent with this Resolution and approved by the Chief Executive Officer or (Vice)

Chairperson of the Agency upon the advice of counsel to the Agency (the “*Agency Lease*” and together with the Bill of Sale and the Company Lease, the “*Lease Documents*”); (C) secure the Company’s borrowings with respect to the Project Facility, by joining in one or more construction or permanent mortgages on the Project Facility in favor of the Company’s lender(s), in such form and substance as shall be consistent with this resolution and approved by the Chief Executive Officer or (Vice) Chairperson of the Agency upon the advice of counsel to the Agency and pledging and assigning to such lender(s), if any, certain rights and remedies of the Agency under the sublease agreement by the execution and delivery of a pledge and assignment which shall be consistent with this resolution and approved by the Chief Executive Officer or (Vice) Chairperson of the Agency upon the advice of counsel to the Agency; and (D) execute and deliver any other documents necessary to effectuate the intent of the Resolutions and the granting of the Financial Assistance as contemplated by and consistent with this Resolution upon the advice of counsel to the Agency.

Section 4. The Chief Executive Officer and/or (Vice) Chairperson are each hereby authorized and directed, for and in the name and on behalf of the Agency, to execute and deliver the documents and agreements identified herein and any such additional certificates, instruments, documents or affidavits, to pay any such other fees, charges and expenses, to make such other changes, omissions, insertions, revisions, or amendments to the documents referred to herein and to do and cause to be done any such other acts and things, as they determine, on advice of counsel to the Agency, may be necessary or desirable to consummate the transactions contemplated by the Resolutions. The execution thereof by the Chief Executive Officer or (Vice) Chairperson shall constitute conclusive evidence of such approval.

Section 5. No covenant, stipulation, obligation or agreement contained in this Resolution or any document referred to above shall be deemed to be the covenant, stipulation, obligation or agreement of any member, officer, agent or employee of the Agency in his or her individual capacity. Neither the members nor officers of the Agency, nor any person executing any documents referred to above on behalf of the Agency, shall be liable thereon or be subject to any personal liability or accountability by reason of the execution or delivery thereof.

Section 6. A copy of this Resolution, together with the attachments hereto, shall be placed on file in the office of the Agency where the same shall be available for public inspection during business hours.

Section 7. The Chief Executive Officer of the Agency is hereby authorized and directed to distribute copies of this Resolution to the Company and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 8. Counsel to the Agency and special Agency counsel are hereby authorized to work with the Company, and others to prepare, for submission to the Agency, all documents necessary to effect the grant of Financial Assistance and to consummate the transactions contemplated by this Resolution.

Section 9. This Resolution shall take effect immediately.

The question of the adoption of the foregoing resolution was duly put to vote on a roll call, which resulted as follows:

	<u>Aye</u>	<u>Nay</u>	<u>Abstain</u>	<u>Absent</u>	<u>Recuse</u>
Nick Canale, Jr.	X				
Donald H. Kunzwiler				X	
Carolyn A. Rush	X				
H. Leonard Schick	X				
Morris Sorbello				X	
Gary T. Toth	X				

The resolution was thereupon declared duly adopted.

STATE OF NEW YORK)
) SS.:
COUNTY OF OSWEGO)

I, the undersigned Chief Executive Officer of the County of Oswego Industrial Development Agency, Do Hereby Certify that (i) I have compared the annexed extract of the minutes of the meeting of the County of Oswego Industrial Development Agency (the “*Agency*”) held on April 27, 2016, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of the whole of such original insofar as the same relates to the subject matters referred to therein.

I Further Certify that (i) all members of the Agency had due notice of such meeting, (ii) pursuant to Section 104 of the Public Officers Law (Open Meetings Law), such meeting was open to the general public and public notice of the time and place of such meeting was duly given in accordance with such Section 104, (iii) the meeting was in all respects duly held, and (iv) there was a quorum present throughout.

In Witness Whereof, I have hereunto set my hand and affixed the seal of the Agency on April 27, 2016.

L. Michael Treadwell
Chief Executive Officer

(SEAL)

SEQRA RESOLUTION

A regular meeting of the County of Oswego Industrial Development Agency was convened in public session on April 27, 2016, at 9:00 a.m., at 44 West Bridge Street, Oswego, New York.

The meeting was called to order by the Chair and, upon the roll being duly called, the following members were:

PRESENT: Nick Canale, Jr., Carolyn A. Rush, H. Leonard Schick and Gary T. Toth

ABSENT: Donald H. Kunzwiler and Morris Sorbello

ALSO PRESENT: Kevin C. Caraccioli, David S. Dano, Peter Swartz, Doug McRae, Roy Reehil, L. Michael Treadwell and Teresa Woolson

The following resolution was duly offered and seconded:

RESOLUTION CLASSIFYING A CERTAIN PROJECT AS AN UNLISTED ACTION PURSUANT TO THE STATE ENVIRONMENTAL QUALITY REVIEW ACT AND DETERMINING THAT THE PROJECT WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT

WHEREAS, the County of Oswego Industrial Development Agency (the “*Agency*”) is authorized and empowered by Title 1 of Article 18-A of the General Municipal Law of the State of New York (the “*State*”), as amended, together with Chapter 234 of the Laws of 1973 of the State of New York, as amended from time to time (collectively, the “*Act*”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, including industrial pollution control facilities, railroad facilities and certain horse racing facilities, for the purpose of promoting, attracting, encouraging and developing recreation and economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State, to improve their recreation opportunities, prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to grant “financial assistance” (as defined in the Act) in connection with the acquisition, construction and equipping of one or more “projects” (as defined in the Act); and

WHEREAS, Nine Mile Point Nuclear Station, LLC (the “*Company*”) submitted an application to the Agency on or about February 10, 2016 (the “*Application*”), a copy of which is on file at the office of the Agency, requesting the Agency undertake a project (the “*Project*”) consisting of: (A) (i) the acquisition of a leasehold interest in various parcels of land totaling approximately 740 acres (the “*Land*”), all located at 348 Lake Road in the Town of Scriba (the “*Town*”), County of Oswego (the “*County*”), New York, improved with two existing operating reactor units and related buildings and structures (collectively the “*Existing Facilities*”); (ii) the construction of a new approximately 10,000 square foot storage building on the Land adjacent to one or more of the Existing Facilities to be used to store fuel canisters (the “*Facility*”) and the repair of the Existing Facilities including roof replacement; (iii) the acquisition and installation of certain material, machinery and equipment in and on the Land, the Existing Facilities and the Facility relating to and supporting the continued production of electricity from nuclear fuel, including, but not limited to, the replacement of a fire panel system, the replacement of an uninterruptible power source for the security system, plant lighting improvements and installation of horizontal storage modules (collectively the “*Equipment*”) (the Equipment together with the Land, the Existing Facilities and the Facility, collectively the “*Project Facility*”); (B) the granting of certain financial assistance in the form of exemptions from State and local sales and use tax and real property taxes (collectively, the “*Financial Assistance*”); and (C) the lease of the Project Facility by the Agency pursuant to a lease agreement and the sublease of the Project Facility back to the Company pursuant to a sublease agreement; and

WHEREAS, pursuant to SEQRA, the Agency is required to make a determination with respect to the environmental impact of any “action” (as defined by SEQRA) to be taken by the Agency and the approval of the Project and grant of Financial Assistance constitute such an action; and

WHEREAS, to aid the Agency in determining whether the Project may have a significant effect upon the environment, the Company has prepared and submitted to the Agency an Environmental Assessment Form (the “*EAF*”), a copy of which is on file in the office of the Agency and is readily accessible to the public; and

WHEREAS, the Agency has examined and reviewed the EAF and related Project materials in order to classify the Project and make a determination as to the potential significance of the Project pursuant to SEQRA.

NOW, THEREFORE, be it resolved by the members of the County of Oswego Industrial Development Agency, as follows:

(1) Based upon an examination of the EAF prepared by the Company, the criteria contained in 6 NYCRR §617.7(c), and based further upon the Agency’s knowledge of the area

surrounding the Project Facility, all the representations made by the Company in connection with the Project, and such further investigation of the Project and its environmental effects as the Agency has deemed appropriate, the Agency makes the following findings and determinations with respect to the Project pursuant to SEQRA:

(a) The Project consists of the components described above in the third **WHEREAS** clauses of this resolution;

(b) The Project constitutes an “Unlisted Action” (as said quoted term is defined in SEQRA);

(c) The Project will not have a significant effect on the environment, and the Agency hereby issues a negative declaration for the Project pursuant to SEQRA, attached hereto as **Exhibit “A”**, which shall be filed in the office of the Agency in a file that is readily accessible to the public.

(3) A copy of this Resolution shall be placed on file in the office of the Agency where the same shall be available for public inspection during business hours.

The question of the adoption of the foregoing resolution was duly put to vote on a roll call, which resulted as follows:

	<u>Aye</u>	<u>Nay</u>	<u>Abstain</u>	<u>Absent</u>	<u>Recuse</u>
Nick Canale, Jr.	X				
Donald H. Kunzwiler				X	
Carolyn A. Rush	X				
H. Leonard Schick	X				
Morris Sorbello				X	
Gary T. Toth	X				

The foregoing resolution was thereupon declared duly adopted.

STATE OF NEW YORK)
) SS.:
COUNTY OF OSWEGO)

I, the undersigned Chief Executive Officer of the County of Oswego Industrial Development Agency, Do Hereby Certify that (i) I have compared the annexed extract of the minutes of the meeting of the County of Oswego Industrial Development Agency (the “*Agency*”) held on April 27, 2016, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of the whole of such original insofar as the same relates to the subject matters referred to therein.

I Further Certify that (i) all members of the Agency had due notice of such meeting, (ii) pursuant to Section 104 of the Public Officers Law (Open Meetings Law), such meeting was open to the general public and public notice of the time and place of such meeting was duly given in accordance with such Section 104, (iii) the meeting was in all respects duly held, and (iv) there was a quorum present throughout.

In Witness Whereof, I have hereunto set my hand and affixed the seal of the Agency on April 27, 2016.

L. Michael Treadwell
Chief Executive Officer

(SEAL)

EXHIBIT "A"
NEGATIVE DECLARATION

Short Environmental Assessment Form

Part I - Project Information

Instructions for Completing

Part I - Project Information. The applicant or project sponsor is responsible for the completion of Part I. Responses become part of the application for approval or funding, are subject to public review, and may be subject to further verification. Complete Part I based on information currently available. If additional research or investigation would be needed to fully respond to any item, please answer as thoroughly as possible based on current information.

Complete all items in Part I. You may also provide any additional information which you believe will be needed by or useful to the lead agency; attach additional pages as necessary to supplement any item.

Part I - Project and Sponsor Information			
Nine Mile Point Nuclear Station, LLC (referred to as the "Company")			
Name of Action or Project: Straight lease-leaseback transaction and granting of financial assistance through a real property tax and possible sales tax exemption			
Project Location (describe, and attach a location map): 348 Lake Road, Oswego, New York 13126 located in the Town of Scriba, County of Oswego			
Brief Description of Proposed Action: Financial assistance from the Oswego County Industrial Development Agency ("IDA") for a Project consisting of the (1) IDA acquiring a leasehold interest in certain parcels of land, (2) acquisition and installation of certain material and equipment improvements relating to and supporting the continued production of electricity from nuclear fuel including, but not limited to, the replacement of a fire panel protection system, the replacement of an uninterruptible power source for the security system, roof replacements, plant lighting improvements, and construction of a storage building and install storage modules at the existing independent spent fuel storage installation ("ISFSI"); (3) granting of financial assistance through an exemption from real property taxes and sales and use taxes; and (4) sublease of the Project to the Company.			
Name of Applicant or Sponsor: Nine Mile Point Nuclear Station, LLC		Telephone: 312-394-8368	
		E-Mail: plis@swartzmoses.com	
Address: c/o Peter Swartz, Swartz Moses, PLLC, 1583 East Genesee Street			
City/PO: Skaneateles		State: New York	Zip Code: 13152
1. Does the proposed action only involve the legislative adoption of a plan, local law, ordinance, administrative rule, or regulation? If Yes, attach a narrative description of the intent of the proposed action and the environmental resources that may be affected in the municipality and proceed to Part 2. If no, continue to question 2.		NO <input checked="" type="checkbox"/>	YES <input type="checkbox"/>
2. Does the proposed action require a permit, approval or funding from any other governmental Agency? If Yes, list agency(s) name and permit or approval: The lease-leasehold transaction potentially requires review by or approval from the Nuclear Regulatory Commission and Federal Energy Regulatory Commission. Construction of the storage building adjacent to the ISFSI requires building permit.		NO <input type="checkbox"/>	YES <input checked="" type="checkbox"/>
3.a. Total acreage of the site of the proposed action?		900 acres	
b. Total acreage to be physically disturbed?		less than 1 acres	
c. Total acreage (project site and any contiguous properties) owned or controlled by the applicant or project sponsor?		900 acres	
4. Check all land uses that occur on, adjoining and near the proposed action.			
<input type="checkbox"/> Urban <input checked="" type="checkbox"/> Rural (non-agriculture) <input checked="" type="checkbox"/> Industrial <input type="checkbox"/> Commercial <input type="checkbox"/> Residential (suburban) <input type="checkbox"/> Forest <input type="checkbox"/> Agriculture <input checked="" type="checkbox"/> Aquatic <input type="checkbox"/> Other (specify): _____ <input type="checkbox"/> Parkland			

5. Is the proposed action, a. A permitted use under the zoning regulations?	NO	YES	N/A
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. Consistent with the adopted comprehensive plan?			
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
6. Is the proposed action consistent with the predominant character of the existing built or natural landscape?	NO	YES	
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
7. Is the site of the proposed action located in, or does it adjoin, a state listed Critical Environmental Area? If Yes, identify: _____	NO	YES	
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
8. a. Will the proposed action result in a substantial increase in traffic above present levels?	NO	YES	
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
b. Are public transportation service(s) available at or near the site of the proposed action?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
c. Are any pedestrian accommodations or bicycle routes available on or near site of the proposed action?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
9. Does the proposed action meet or exceed the state energy code requirements? If the proposed action will exceed requirements, describe design features and technologies: _____	NO	YES	
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
10. Will the proposed action connect to an existing public/private water supply? If No, describe method for providing potable water: _____	NO	YES	
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
11. Will the proposed action connect to existing wastewater utilities? If No, describe method for providing wastewater treatment: _____	NO	YES	
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
12. a. Does the site contain a structure that is listed on either the State or National Register of Historic Places?	NO	YES	
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
b. Is the proposed action located in an archeological sensitive area?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
13. a. Does any portion of the site of the proposed action, or lands adjoining the proposed action, contain wetlands or other waterbodies regulated by a federal, state or local agency?	NO	YES	
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
b. Would the proposed action physically alter, or encroach into, any existing wetland or waterbody? If Yes, identify the wetland or waterbody and extent of alterations in square feet or acres: _____ <u>The ISFSI constructed in 2010 is adjacent to, but does not disturb, wetlands. The ISFSI construction, including environmental impacts, was reviewed and approved by the Town of Scriba. The ISFSI expansion will include construction of a storage building and installation of additional storage modules on existing concrete pads. The wetlands will not be impacted.</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	<input type="checkbox"/>	<input type="checkbox"/>	
14. Identify the typical habitat types that occur on, or are likely to be found on the project site. Check all that apply: <input checked="" type="checkbox"/> Shoreline <input type="checkbox"/> Forest <input type="checkbox"/> Agricultural/grasslands <input type="checkbox"/> Early mid-successional <input checked="" type="checkbox"/> Wetland <input type="checkbox"/> Urban <input type="checkbox"/> Suburban			
15. Does the site of the proposed action contain any species of animal, or associated habitats, listed by the State or Federal government as threatened or endangered?	NO	YES	
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
16. Is the project site located in the 100 year flood plain?	NO	YES	
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
17. Will the proposed action create storm water discharge, either from point or non-point sources? If Yes, a. Will storm water discharges flow to adjacent properties? <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES	NO	YES	
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
b. Will storm water discharges be directed to established conveyance systems (runoff and storm drains)? If Yes, briefly describe: _____ <input type="checkbox"/> NO <input checked="" type="checkbox"/> YES <u>Storm water discharge for the storage building will be addressed during design and permitting for the new construction. The Company anticipates that it will be required to complete a short environmental assessment form in conjunction with the building permit. Runoff for the storage modules will flow to the existing runoff system for the ISFSI.</u>			

18. Does the proposed action include construction or other activities that result in the impoundment of water or other liquids (e.g. retention pond, waste lagoon, dam)? If Yes, explain purpose and size: _____ _____	NO	YES
19. Has the site of the proposed action or an adjoining property been the location of an active or closed solid waste management facility? If Yes, describe: _____ _____	NO	YES
20. Has the site of the proposed action or an adjoining property been the subject of remediation (ongoing or completed) for hazardous waste? If Yes, describe: _____ _____	NO	YES
I AFFIRM THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND ACCURATE TO THE BEST OF MY KNOWLEDGE Applicant/Sponsor name: Peter M. Ouyunpos, Site Vice President Signature: <u><i>Peter M. Ouyunpos</i></u> Date: <u>2-10-2016</u>		

Project:

Date:

*Short Environmental Assessment Form
Part 2 - Impact Assessment*

Part 2 is to be completed by the Lead Agency.

Answer all of the following questions in Part 2 using the information contained in Part 1 and other materials submitted by the project sponsor or otherwise available to the reviewer. When answering the questions the reviewer should be guided by the concept "Have my responses been reasonable considering the scale and context of the proposed action?"

	No, or small impact may occur	Moderate to large impact may occur
1. Will the proposed action create a material conflict with an adopted land use plan or zoning regulations?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Will the proposed action result in a change in the use or intensity of use of land?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Will the proposed action impair the character or quality of the existing community?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4. Will the proposed action have an impact on the environmental characteristics that caused the establishment of a Critical Environmental Area (CEA)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5. Will the proposed action result in an adverse change in the existing level of traffic or affect existing infrastructure for mass transit, biking or walkway?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
6. Will the proposed action cause an increase in the use of energy and it fails to incorporate reasonably available energy conservation or renewable energy opportunities?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
7. Will the proposed action impact existing: a. public / private water supplies?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. public / private wastewater treatment utilities?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. Will the proposed action impair the character or quality of important historic, archaeological, architectural or aesthetic resources?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
9. Will the proposed action result in an adverse change to natural resources (e.g., wetlands, waterbodies, groundwater, air quality, flora and fauna)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
10. Will the proposed action result in an increase in the potential for erosion, flooding or drainage problems?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
11. Will the proposed action create a hazard to environmental resources or human health?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Project: _____

Date: _____

Short Environmental Assessment Form Part 3 Determination of Significance

For every question in Part 2 that was answered "moderate to large impact may occur", or if there is a need to explain why a particular element of the proposed action may or will not result in a significant adverse environmental impact, please complete Part 3. Part 3 should, in sufficient detail, identify the impact, including any measures or design elements that have been included by the project sponsor to avoid or reduce impacts. Part 3 should also explain how the lead agency determined that the impact may or will not be significant. Each potential impact should be assessed considering its setting, probability of occurring, duration, irreversibility, geographic scope and magnitude. Also consider the potential for short-term, long-term and cumulative impacts.

<input type="checkbox"/>	Check this box if you have determined, based on the information and analysis above, and any supporting documentation, that the proposed action may result in one or more potentially large or significant adverse impacts and an environmental impact statement is required.
<input checked="" type="checkbox"/>	Check this box if you have determined, based on the information and analysis above, and any supporting documentation, that the proposed action will not result in any significant adverse environmental impacts.
County of Oswego Industrial Development Agency	4/27/16
Name of Lead Agency	Date
L. Michael Trendwell	CEO
Print or Type Name of Responsible Officer in Lead Agency	Title of Responsible Officer
<i>L. Michael Trendwell</i>	
Signature of Responsible Officer in Lead Agency	Signature of Preparer (if different from Responsible Officer)

PRINT FORM

INDUCEMENT RESOLUTION

A regular meeting of the County of Oswego Industrial Development Agency was convened in public session on April 27, 2016, at 9:00 a.m., at 44 West Bridge Street, Oswego, New York.

The meeting was called to order by the Chair and, upon the roll being duly called, the following members were:

PRESENT: Nick Canale, Jr., Carolyn A. Rush, H. Leonard Schick and Gary T. Toth

ABSENT: Donald H. Kunzwiler and Morris Sorbello

ALSO PRESENT: Kevin C. Caraccioli, David S. Dano, Peter Swartz, Doug McRae, Roy Reehil, L. Michael Treadwell and Teresa Woolson

The following resolution was duly offered and seconded:

RESOLUTION UNDERTAKING THE ACQUISITION, RENOVATION, CONSTRUCTION AND EQUIPPING OF A CERTAIN PROJECT, APPOINTING THE COMPANY AS AGENT OF THE AGENCY FOR THE PURPOSE OF THE ACQUISITION, RENOVATION, CONSTRUCTION, EQUIPPING AND COMPLETION OF THE PROJECT; APPROVING FINANCIAL ASSISTANCE IN THE FORM OF EXEMPTIONS FROM REAL PROPERTY TAX AND STATE AND LOCAL SALES AND USE TAX; AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN AGREEMENT BETWEEN THE AGENCY AND THE COMPANY

WHEREAS, the County of Oswego Industrial Development Agency (the “*Agency*”) is authorized and empowered by Title 1 of Article 18-A of the General Municipal Law of the State of New York (the “*State*”), as amended, together with Chapter 234 of the Laws of 1973 of the State of New York, as amended from time to time (collectively, the “*Act*”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, including industrial pollution control facilities, railroad facilities and certain

horse racing facilities, for the purpose of promoting, attracting, encouraging and developing recreation and economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State, to improve their recreation opportunities, prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to grant “financial assistance” (as defined in the Act) in connection with the acquisition, construction, renovation and equipping of one or more “projects” (as defined in the Act); and

WHEREAS, Nine Mile Point Nuclear Station, LLC (the “*Company*”) submitted an application to the Agency on or about February 10, 2016 (the “*Application*”), a copy of which is on file at the office of the Agency, requesting the Agency undertake a project (the “*Project*”) consisting of: (A) (i) the acquisition of a leasehold interest in various parcels of land totaling approximately 740 acres (the “*Land*”), all located at 348 Lake Road in the Town of Scriba (the “*Town*”), County of Oswego (the “*County*”), New York, improved with two existing operating reactor units and related buildings and structures (collectively the “*Existing Facilities*”); (ii) the construction of a new approximately 10,000 square foot storage building on the Land adjacent to one or more of the Existing Facilities to be used to store fuel canisters (the “*Facility*”) and the repair of the Existing Facilities including roof replacement; (iii) the acquisition and installation of certain material, machinery and equipment in and on the Land, the Existing Facilities and the Facility relating to and supporting the continued production of electricity from nuclear fuel, including, but not limited to, the replacement of a fire panel system, the replacement of an uninterruptible power source for the security system, plant lighting improvements and installation of horizontal storage modules (collectively the “*Equipment*”) (the Equipment together with the Land, the Existing Facilities and the Facility, collectively the “*Project Facility*”); (B) the granting of certain financial assistance in the form of exemptions from State and local sales and use tax and real property taxes (collectively, the “*Financial Assistance*”); and (C) the lease of the Project Facility by the Agency pursuant to a lease agreement and the sublease of the Project Facility back to the Company pursuant to a sublease agreement; and

WHEREAS, the Company owns a nuclear power station which includes two operating reactors commonly referred to as Nine Mile Point Unit 1 (“*Unit 1*”) and Nine Mile Point Unit 2 (“*Unit 2*”). Unit 1 and Unit 2 form a part of the Project Facility; and

WHEREAS, the Company owns 100% of Unit 1; and

WHEREAS, the Company owns 82% of Unit 2 as a tenant in common with Long Island Lighting Company (“*LIPA*”), which owns the remaining 18% of Unit 2; and

WHEREAS, pursuant to Renewed Facility Operating License No. DPR-63 (Docket No. 50-220), issued by the United States Nuclear Regulatory Commission (“*NRC*”), the Company is licensed to possess Unit 1 and Exelon Generation Company, LLC (the “*Operator*”) is licensed to possess, use, and operate Unit 1 and authorized to act as agent for the Company with respect to Unit 1; and

WHEREAS, pursuant to Renewed Facility Operating License No. NPF-69 (Docket No. 50-410), issued by the NRC, the Company and LIPA are licensed to possess Unit 2 and the Operator is licensed to possess, use, and operate Unit 2 and authorized to act as agent for the Company and LIPA with respect to Unit 2; and

WHEREAS, the Operator is the current operator of the Project Facility; and

WHEREAS, the Agency adopted a resolution on February 29, 2016 describing the Project and the Financial Assistance and authorizing a public hearing (collectively, the “*Initial Resolution*”); and

WHEREAS, the Agency conducted a public hearing with respect to the Project and the proposed Financial Assistance on April 5, 2016 pursuant to Section 859-a of the Act, notice of which was published on March 24, 2016 in The Palladium-Times, a newspaper of general circulation in the County of Oswego, New York and given to the chief executive officers of the affected tax jurisdictions by letter dated March 24, 2016; and

WHEREAS, the Company has requested that the Agency authorize a temporary appointment of the Company for purposes of benefitting from the State and local sales and use tax exemption while the Company finalizes its approvals to close on the Lease Documents (as defined herein); and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law of the State of New York, as amended, and the regulations of the Department of Environmental Conservation of the State of New York promulgated thereunder (collectively referred to hereinafter as “*SEQRA*”), the Agency is required to make a determination whether the “action” (as said quoted term is defined in SEQRA) to be taken by the Agency may have a “significant impact on the environment” (as said quoted term is utilized in SEQRA) and the preliminary agreement of the Agency to undertake of the Project constitutes such an action; and

WHEREAS, on April 27, 2016, the Agency adopted a resolution determining that pursuant to the State Environmental Quality Review that the Project constitutes an Unlisted Action and will not have a significant effect on the environment (the “*SEQRA Resolution*”); and

WHEREAS, the Agency has considered the policy, purposes and requirements of the Act in making its determinations with respect to taking official action regarding the Project; and

WHEREAS, the Agency has given due consideration to the Application and to representations by the Company that the provision of Financial Assistance: (i) will induce the Company to develop the Project Facility in the County of Oswego; (ii) will not result in the removal of a commercial, industrial or manufacturing plant or facility of the Company or any other proposed occupant of the Project Facility from one area of the State to another area of the State or in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Project Facility located in the State, except as may be permitted by the Act; and (iii) the Project will serve the purposes of the Act by creating and/or preserving permanent, private sector jobs and advancing the health, general prosperity and economic welfare

of the people of the State.

NOW, THEREFORE, be it resolved by the members of the County of Oswego Industrial Development Agency, as follows:

Section 1. It is the policy of the State to promote the economic welfare, recreation opportunities and prosperity of its inhabitants and to actively promote, attract, encourage and develop economically sound commerce and industry for the purpose of preventing unemployment and economic deterioration. It is among the purposes of the Agency to promote, develop, encourage and assist in the acquiring, constructing, renovating, improving, maintaining, equipping and furnishing of certain facilities, including commercial facilities, and thereby advance the job opportunities, health, general prosperity and economic welfare of the people of the State and to improve their recreation opportunities, prosperity and standard of living.

Section 2. Based upon the representations and projections made by the Company to the Agency, the Agency hereby makes the following determinations:

- a. Ratifies the findings in its Initial and SEQRA Resolutions.
- b. The Project constitutes a “project” within the meaning of the Act.
- c. The commitment of the Agency to provide Financial Assistance to the Company will enable the Company to undertake the Project.
- d. The granting of the Financial Assistance will allow the renovation, construction and equipping of the Project and will promote employment opportunities, help prevent economic deterioration in the Town of Scriba and the County of Oswego by the creation and/or preservation of jobs and advance the health, general prosperity and economic welfare of the people of the State.
- e. The acquisition of a controlling interest in the Project Facility by the Agency and the designation of the Company as the Agency’s agent for renovation, construction, equipping and completion of the Project will be an inducement to the Company to renovate, construct, equip and operate the Project Facility in the County of Oswego, and will serve the purposes of the Act by, among other things, preserving and/or creating permanent private sector jobs, the general prosperity and economic welfare of the inhabitants of the County of Oswego and the granting of the Financial Assistance will assist in the financing the costs of the acquisition, renovation, construction and equipping of the Project.
- f. The Project will not result in the removal of a commercial, industrial or manufacturing plant or facility of the Company or any other proposed occupant of the Project Facility from one area of the State to another area of the State or result in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Project Facility located in the State, except as may be permitted by the Act.

Section 3. Subject to the due execution and delivery by the Company of the Agreement (as defined herein) and a temporary sales tax appointment agreement (the “*Temporary Agreement*”), the satisfaction of the conditions of this Resolution, the Agreement and the Temporary Agreement, and the payment by the Company of any attendant fees, the Company is appointed the true and lawful agent of the Agency to proceed with the renovation, construction, equipping and completion of the Project, all with the same powers and the same validity as if the Agency were acting in its own behalf. The appointment made by this Section 3 shall not be effective until the Agreement referred to in Section 3 hereof is duly executed and delivered by the Company. Notwithstanding anything in the Agreement to the contrary, provided the Company execute and deliver the Temporary Agreement and the environmental compliance and indemnification agreement (as set forth herein), and satisfy the balance of the conditions set forth in this Resolution, the Temporary Agreement and the Agreement, the Company need not execute the Lease Documents prior to the effectiveness of the Company’s appointment as the Agency’s agent.

Section 4. Subject to the terms of this Resolution and conditions set forth in Section 4.02 of the Agreement (hereinafter defined), and subject to the Agency’s approval of the PILOT schedule, the Agency will: (i) acquire or continue a controlling interest in the Land and Facility pursuant to a lease agreement (the “*Company Lease*”) to be entered into between the Company and the Agency and accept supervision, jurisdiction and control of the Equipment pursuant to the Company Lease; (ii) sublease the Project Facility to the Company pursuant to a sublease agreement (the “*Agency Lease*” and together with the Company Lease and any other certificates and documents deemed necessary by the Agency to undertake the Project, collectively, the “*Lease Documents*”) to be entered into between the Agency and the Company; (iii) grant the Financial Assistance; (iv) provided that no default shall have occurred and be continuing under the Agreement, the Lease Documents or any loan documents, execute and deliver all other certificates and documents necessary or appropriate for the grant of the Financial Assistance requested by the Company, in form and substance acceptable to the Agency, or its commercial lender(s) in connection with financing for the Project, including but not limited to, one or more mortgages in favor of the Agency and/or the Company’s commercial lender(s).

Section 5. As a condition to the granting of the Financial Assistance, the Company agrees to execute an agreement with the Agency setting forth the preliminary undertakings of the Agency and the Company with respect to the Project. The form and substance of the proposed agreement (as set forth as on **Exhibit “A”** attached hereto and presented at this meeting) (the “*Agreement*”) are hereby approved. The Chief Executive Officer or (Vice) Chairperson of the Agency are each hereby authorized, on behalf of the Agency, to execute and deliver the Agreement, in substantially the same form as presented at this meeting and attached hereto as **Exhibit “A”**, with changes in terms and form as shall be consistent with this Resolution and as the Chief Executive Officer or (Vice) Chairperson shall approve. The execution thereof by the Chief Executive Officer or (Vice) Chairperson shall constitute conclusive evidence of such approval.

Section 6. The terms and conditions of subdivision 3 of Section 875 of the Act are herein incorporated by reference and the Company shall agree to such terms as a condition precedent to receiving or benefiting from an exemption from New York State sales and use tax exemptions benefits. Notwithstanding anything herein to the contrary, the amount of State and local sales and use tax exemption benefits comprising the Financial Assistance approved herein shall not exceed **\$6,360,000**.

Section 7. The Company may utilize, and is hereby authorized to appoint, a Project operator, contractors, agents, subagents, subcontractors, contractors and subcontractors of such agents and subagents (collectively, “*Additional Agents*”) to proceed with the renovation, construction, equipping and completion of the Project, all with the same powers and the same validity as if the Agency were acting in its own behalf, provided the Company execute, deliver and comply with the Lease Documents. The Company shall provide or cause its Additional Agents to provide, and the Agency shall maintain, records of the amount of State and local sales and use tax exemption benefits provided to the Project; and the Company shall, and cause each Additional Agent, to make such records available to the State Commissioner of Taxation and Finance (the “*Commissioner*”) and the Agency upon request. The Agency shall, within thirty (30) days of providing any State sales and use tax exemption benefits, report to the Commissioner the amount of such benefits for the Project, identifying the Project, along with any such other information and specificity as the Commissioner may prescribe. As a condition precedent to the Company or Project’s receipt of, or benefit from, any State or local sales and use tax exemptions, the Company must acknowledge and agree to make, or cause its Additional Agents to make, all records and information regarding State and local sales and use tax exemption benefits realized by the Project available to the Agency or its designee upon request.

Section 8. The Chief Executive Officer or (Vice) Chairperson of the Agency, acting individually, are each hereby authorized and directed, for and in the name and on behalf of the Agency, to execute and deliver the documents and agreements identified herein and any such additional certificates, instruments, documents or affidavits, to pay any such other fees, charges and expenses, to make such other changes, omissions, insertions, revisions, or amendments to the documents referred herein and to do and cause to be done any such other acts and things, as they determine, on advice of counsel to the Agency, may be necessary or desirable to consummate the transactions contemplated by this Resolution and the Agreement.

Section 9. The obligation of the Agency to consummate any transaction contemplated herein or hereby is subject to and conditioned upon the execution and delivery of, among other things, an environmental compliance and indemnification agreement in favor of the Agency in form and substance acceptable to the Agency by the Company and some or all of its principals, in the discretion of the Chief Executive Officer or (Vice)Chairperson of the Agency.

Section 10. No covenant, stipulation, obligation or agreement contained in this Resolution or any document referred to herein shall be deemed to be the covenant, stipulation, obligation or agreement of any member, officer, agent or employee of the Agency in his or her individual capacity. Neither the members nor officers of the Agency, nor any person executing any documents referred to herein on behalf of the Agency, shall be liable thereon or be subject to any personal liability or accountability by reason of the execution or delivery thereof.

Section 11. Should the Agency’s participation in the Project, or the appointments made in accordance herewith, be challenged by any party, in the courts or otherwise, the Company shall defend, indemnify and hold harmless the Agency and its members, officers and employees from any and all losses arising from any such challenge including, but not limited to, the fees and disbursement of the Agency’s counsel. Should any court of competent jurisdiction determine that the Agency is not authorized under the Act to participate in the Project, this Resolution shall

automatically become null, void and of no further force and effect, and the Agency shall have no liability to the Company hereunder or otherwise.

Section 12. A copy of this Resolution, together with the attachments hereto, shall be placed on file in the office of the Agency where the same shall be available for public inspection during business hours.

Section 13. The Chief Executive Officer of the Agency is hereby authorized and directed to distribute copies of this Resolution to the Company and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 14. Counsel to the Agency and special Agency counsel are hereby authorized to work with the Company, and others to prepare, for submission to the Agency, all documents necessary to effect the grant of Financial Assistance and consummate the Lease Documents.

Section 15. This Resolution shall take effect immediately.

The question of the adoption of the foregoing resolution was duly put to vote on a roll call, which resulted as follows:

	<u>Aye</u>	<u>Nay</u>	<u>Abstain</u>	<u>Absent</u>	<u>Recuse</u>
Nick Canale, Jr.	X				
Donald H. Kunzwiler				X	
Carolyn A. Rush	X				
H. Leonard Schick	X				
Morris Sorbello				X	
Gary T. Toth	X				

The resolution was thereupon declared duly adopted.

STATE OF NEW YORK)

) ss.:

COUNTY OF OSWEGO)

I, the undersigned Chief Executive Officer of the County of Oswego Industrial Development Agency, Do Hereby Certify that (i) I have compared the annexed extract of the minutes of the meeting of the County of Oswego Industrial Development Agency (the “*Agency*”) held on April 27, 2016, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of the whole of such original insofar as the same relates to the subject matters referred to therein.

I Further Certify that (i) all members of the Agency had due notice of such meeting, (ii) pursuant to Section 104 of the Public Officers Law (Open Meetings Law), such meeting was open to the general public and public notice of the time and place of such meeting was duly given in accordance with such Section 104, (iii) the meeting was in all respects duly held, and (iv) there was a quorum present throughout.

In Witness Whereof, I have hereunto set my hand and affixed the seal of the Agency on April 27, 2016.

L. Michael Treadwell
Chief Executive Officer

(SEAL)

EXHIBIT "A"

AGENCY/COMPANY AGREEMENT

This Agreement is among the County of Oswego Industrial Development Agency (the "**Agency**") and Nine Mile Point Nuclear Station, LLC (the "**Company**").

Article 1. Preliminary Statement. Among the matters of mutual inducement which have resulted in the execution of this Agreement are the following:

1.01. The Agency is authorized and empowered by the provisions of Title 1 of Article 18-A of the General Municipal Law of the State of New York (the "**State**"), as amended, together with Chapter 234 of the Laws of 1973 of the State of New York, as amended from time to time (collectively, the "**Act**") to grant "financial assistance" (as defined in the Act) in connection with "Projects" (as defined in the Act) and to lease or sell the same upon such terms and conditions as the Agency may deem advisable and designate an agent for renovating and equipping "projects" (as defined in the Act).

1.02. The purposes of the Act are to promote, attract, encourage and develop recreation and economically sound commerce and industry in order to advance the job opportunities, health, general prosperity and economic welfare of the people of the State, to improve their recreation opportunities, prosperity and standard of living, and to prevent unemployment and economic deterioration. The Act vests the Agency with all powers necessary to enable it to accomplish such purposes, including the power to grant financial assistance, acquire and dispose of interests in real property and to appoint agents for the purpose of completion of projects undertaken by the Agency.

1.03. The Company has requested that the Agency undertake a project (the "**Project**") consisting of: (A) (i) the acquisition of a leasehold interest in various parcels of land totaling approximately 740 acres (the "**Land**"), all located at 348 Lake Road in the Town of Scriba (the "**Town**"), County of Oswego (the "**County**"), New York, improved with two existing operating reactor units and related buildings and structures (collectively the "**Existing Facilities**"); (ii) the construction of a new approximately 10,000 square foot storage building on the Land adjacent to one or more of the Existing Facilities to be used to store fuel canisters (the "**Facility**") and the repair of the Existing Facilities including roof replacement; (iii) the acquisition and installation of certain material, machinery and equipment in and on the Land, the Existing Facilities and the Facility relating to and supporting the continued production of electricity from nuclear fuel, including, but not limited to, the replacement of a fire panel system, the replacement of an uninterruptible power source for the security system, plant lighting improvements and installation of horizontal storage modules (collectively the "**Equipment**") (the

Equipment together with the Land, the Existing Facilities and the Facility, collectively the “**Project Facility**”); (B) the granting of certain financial assistance in the form of exemptions from State and local sales and use tax and real property taxes (collectively, the “**Financial Assistance**”); and (C) the lease of the Project Facility by the Agency pursuant to a lease agreement and the sublease of the Project Facility back to the Company pursuant to a sublease agreement.

1.03(a). All documents necessary to effectuate the Agency’s undertaking of the Project and the granting of the Financial Assistance between the Agency and the Company, including but not limited to, a company lease, an agency lease, a bill of sale and an environmental compliance and indemnification agreement, shall be collectively referred to herein as the “**Lease Documents**”.

1.04. The Company hereby represents to the Agency that undertaking the Project, the designation of the Company as the Agency’s agent for the renovation, construction, equipping and completion of the Project Facility, and the appointment by the Company of a Project operator, contractors, agents, subagents, subcontractors, contractors and subcontractors of such agents and subagents (collectively, “**Additional Agents**”): (i) will be an inducement to it to renovate, construct and equip the Project Facility in the County of Oswego (the “**County**”) and assist the Company in expanding and maintaining its competitive advantage in its industry; (ii) will not result in the removal of a commercial, industrial or manufacturing plant or facility of the Company or of any other proposed occupant of the Project Facility from one area of the State to another or in the abandonment of one or more plants or facilities of the Company or of any other proposed occupant of the Project Facility located in the State, except as may be permitted by the Act; and (iii) undertaking the Project will promote, create and/or preserve private sector jobs in the State. The Company hereby further represents to the Agency that the Project Facility is not primarily used in making retail sales to customers who personally visit the Facility.

1.05. The Agency has determined that the acquisition or continuation of a controlling interest in, and the renovation, construction and equipping of the Project Facility and the subleasing of the same to the Company will promote and further the purposes of the Act.

1.06 On April 27, 2016, the Agency adopted a resolution (the “**Inducement Resolution**”) agreeing, subject to the satisfaction of all conditions precedent set forth in such Resolution, to designate the Company as the Agency’s agent for the acquisition, renovation, construction and equipping of the Project Facility and determining that the leasing of the same to the Company will promote further purposes of the Act. For purposes of that designation, the Agency authorized as part of the approved Financial Assistance, State and local sales and use tax exemption benefits in an amount not exceed **\$6,360,000**.

1.07 In the Resolution, subject to the execution of, and compliance with, this Agreement by the Company, and other conditions set forth in the Resolution and herein, the Agency appointed the Company as its agent for the purposes of renovation, construction and equipping the Project Facility, entering into contracts and doing all things requisite and proper for renovation, construction and equipping the Project Facility.

Article 2. Undertakings on the Part of the Agency. Based upon the statements, representations and undertakings of the Company and subject to the conditions set forth herein, the Agency agrees as follows:

2.01. The Agency confirms that it has authorized and designated the Company as the Agency's agent for acquiring, renovation, constructing and equipping the Project Facility.

2.02. The Agency will adopt such proceedings and authorize the execution of such Agency documents as may be necessary or advisable for: (i) acquisition of a controlling interest in the Project Facility; (ii) appointment by the Company of Additional Agents, all for renovation, construction and equipping of the Project Facility subject to the terms of the Resolution and hereof; and (iii) the leasing or subleasing of the Project Facility to the Company, all as shall be authorized by law and be mutually satisfactory to the Agency and the Company.

2.03 Nothing contained in this Agreement shall require the Agency to apply its funds to Project costs.

2.04. After satisfying the conditions precedent set forth in the Sections 2.02, 3.06 and 4.02 hereof and in the Inducement Resolution, the Company may proceed with the renovation, construction and equipping of the Project Facility and the utilization of and, as necessary, the appointment of Additional Agents.

2.05 Subject to Section 4.02 hereof, the Company is appointed the true and lawful agent of the Agency for the renovation, construction and equipping of the Project Facility, and to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agent for the Agency, and in general to do all things which may be requisite or proper for the renovation, construction and equipping of the Project Facility, all with the same powers and the same validity as if the Agency were acting in its own behalf.

2.06. The Agency will take or cause to be taken such other acts and adopt such further proceedings as may be required to implement the aforesaid undertakings or as it may deem appropriate in pursuance thereof. The Agency may in accordance with Article 8 of the Environmental Conservation Law of the State of New York, as amended, and the regulations of the Department of Environmental Conservation of the State of New York promulgated thereunder (collectively referred to hereinafter as "*SEQRA*"), undertake supplemental review of the Project. Such review to be limited to specific significant adverse environmental impacts not addressed or inadequately addressed in the Agency's review under SEQRA that arise from changes in the proposed Project, newly discovered information or a change in the circumstances related to the Project.

Article 3. Undertakings on the Part of the Company. Based upon the statements, representations and undertakings of the Agency and subject to the conditions set forth herein, the Company agrees as follows:

3.01. (a) The Company shall indemnify and hold the Agency harmless from all losses, expenses, claims, damages and liabilities arising out of or based on labor, services, materials and supplies, including equipment, ordered or used in connection with the acquisition of a controlling interest in, renovation, construction and equipping of the Project Facility (including any expenses incurred by the Agency in defending any claims, suits or actions which may arise as a result of any of the foregoing) whether such claims or liabilities arise as a result of the Company or Additional Agents acting as agent for the Agency pursuant to this Agreement or otherwise.

(b) The Company shall not permit to stand, and will, at its own expense, take all steps reasonably necessary to remove, any mechanics' or other liens against the Project Facility for labor or material furnished in connection with the acquisition, renovation, construction and equipping of the Project Facility.

(c) The Company shall indemnify and hold the Agency, its members, officers, employees and agents and anyone for whose acts or omissions the Agency or any one of them may be liable, harmless from all claims and liabilities for loss or damage to property or any injury to or death of any person that may be occasioned subsequent to the date hereof by any cause whatsoever in relation to the Project, including any expenses incurred by the Agency in defending any claims, suits or actions which may arise as a result of the foregoing.

(d) The Company shall defend, indemnify and hold the Agency harmless from all losses, expenses, claims, damages and liabilities arising out of or based on the non-disclosure of information, if any, requested by the Company in accordance with Section 4.05 hereof.

(e) The defense and indemnities provided for in this Article 3 shall survive expiration or termination of this Agreement and shall apply whether or not the claim, liability, cause of action or expense is caused or alleged to be caused, in whole or in part, by the activities, acts, fault or negligence of the Agency, its members, officers, employees and agents, anyone under the direction and control of any of them, or anyone for whose acts or omissions the Agency or any of them may be liable, and whether or not based upon the breach of a statutory duty or obligation or any theory or rule of comparative or apportioned liability, subject only to any specific prohibition relating to the scope of indemnities imposed by statutory law.

(f) The Company shall provide and carry: (i) worker's compensation and disability insurance as required by law; and (ii) comprehensive liability and property insurance with such coverages (including without limitation, owner's protective coverage for the benefit of the Agency, naming the Agency as an additional insured on all policies of coverage regarding the Project; providing the coverage with respect to the Agency be primary and non-

contributory; and contractual coverage covering the indemnities herein provided for), with such limits and which such companies as may be approved by the Agency. Upon the request of the Agency, the Company shall provide certificates and/or policies of insurance in form satisfactory to the Agency evidencing such insurance.

(g) The Company shall include the Agency as a named insured under all public liability insurance policies obtained by the Company with respect to the Project Facility.

(h) The Company shall apply and diligently pursue all approvals, permits and consents from the State of New York, the Town of Scriba, County of Oswego and any other governmental authority which approvals, permits and consents are required under applicable law for the development, construction of the Project and any related site improvements. The Company acknowledges and agrees that the Agency's findings and determinations under SEQRA do not and shall not in and of themselves (except as specifically set forth in SEQRA) satisfy or be deemed to satisfy applicable laws, regulations, rules and procedural requirements applicable to such approvals, permits and consents.

3.02. The Company agrees that, as agent for the Agency or otherwise, it will comply at the Company's sole cost and expense with all the requirements of all federal, state and local laws, rules and regulations of whatever kind and howsoever denominated applicable to the Agency and/or Company with respect to the Project Facility, the acquisition of a controlling interest therein, renovation, construction and equipping thereof, the operation and maintenance of the Project Facility, supplemental review of adverse environmental impacts in accordance with SEQRA and the financing of the Project. Every provision required by law to be inserted herein shall be deemed to be set forth herein as if set forth in full, including, but not limited to, Section 875 of the Act; and upon the request of either party, this Agreement shall be amended to specifically set forth any such provision or provisions.

3.03. The Company agrees that, as agent for the Agency, to the extent that such provisions of law are in fact applicable (without creating an obligation by contract beyond that which is created by statute), it will comply with all the requirements Section 220 of the Labor Law of the State of New York, as amended.

3.04. The Company will take such further action and adopt such further proceedings as may be required to implement its aforesaid undertakings or as it may deem appropriate in pursuance thereof.

3.05. If it should be determined that any State or local sales or compensatory use taxes are payable with respect to the acquisition, purchase or rental of machinery or equipment, materials or supplies in connection with the Project Facility, or are in any manner otherwise payable directly or indirectly in connection with the Project Facility, the Company shall pay the same and defend and indemnify the Agency from and against any liability, expenses and penalties arising out of, directly or indirectly, the imposition of any such taxes.

3.06 The Company shall proceed with the acquisition, renovation, construction and equipping of the Project Facility and advance such funds as may be necessary to accomplish such purposes. The Company may utilize, and was authorized to appoint, Additional Agents as agents of the Agency, in furtherance thereof. Any appointment of an Additional Agent is conditioned upon the Company first obtaining and providing the Agency the following:

(1) A written, executed agreement, in form and substance acceptable to the Agency, from each appointed Additional Agent which provides for: (i) the assumption by the Additional Agent, for itself, certain of the obligations under this Agreement relative to the appointment, work and purchases done and made by each appointed Additional Agent; (ii) an acknowledgement by the Additional Agent to hire from the local labor pool during the construction period of the Project Facility whenever practicable; (iii) an acknowledgement that the Additional Agent is obligated, to timely provide the Company with the necessary information to permit the Company, pursuant to General Municipal Law §874(8), to timely file an Annual Statement with the New York State Department of Taxation and Finance on “Annual Report of Sales and Use Tax Exemptions” (Form ST-340) regarding the value of sales and use tax exemptions the Additional Agent claimed pursuant to the agency conferred on it by the Company with respect to this Project; (iv) an acknowledgment by the Additional Agent that in order to be entitled to the exemption, the Additional Agent shall present to the supplier or other vendor of materials or equipment for the Project Facility a completed “IDA Agent or Project Operator Exempt Purchase Certificate” (Form ST-123); (v) an acknowledgment by the Additional Agent that that the failure to comply with the foregoing will result in the loss of the exemption; and (vi) such other terms and conditions as the Agency deems necessary; and

(2) A completed “IDA Appointment of Project Operator or Agent for Sales Tax Purposes” (Form ST-60) for each Additional Agent appointed within fifteen (15) days of the appointment of each Additional Agent such that the Agency can execute and deliver said form to the State Department of Taxation and Finance within thirty (30) days of appointment of each such Additional Agent.

Failure of the Company to comply with the foregoing shall nullify the appointment of any Additional Agent and may result in the loss of the Company’s exemption with respect to the Project at the sole discretion of the Agency.

The Company acknowledges that the assumption by the Additional Agent in accordance with Section 3.06(1) above, does not relieve the Company of its obligations under those provisions or any other provisions of this Agreement with respect to the Project.

3.07 The Company hereby ratifies and confirms its obligations to pay an administrative fee to the Agency in the amount of .75% of the Project costs not to exceed \$100,000.00. Such amount is due and payable in full at closing.

3.08 The Company hereby ratifies and confirms its obligations to pay an annual administrative reporting fee of \$500.00 to cover administrative and reporting requirements to comply with New York State reporting regulations on Agency assisted projects.

Article 4. General Provisions.

4.01. This Agreement shall take effect on the date of the execution hereof by the Agency and the Company and, subject to Section 4.04 hereof, shall remain in effect until the Lease Documents become effective. It is the intent of the Agency and the Company that, except as to those provisions that survive, this Agreement be superseded in its entirety by the Lease Documents.

4.02. (a) It is understood and agreed by the Agency and the Company that the grant of Financial Assistance and the execution of the Lease Documents and related documents are subject to: (i) payment by the Company of the Agency's fee and Agency's counsel fees; (ii) obtaining all necessary governmental approvals, permits and consents of any kind required in connection with the Project Facility; (iii) approval by the members of the Agency; (iv) approval by the Company; and (v) the condition that there are no changes in New York State Law, including regulations, which prohibit or limit the Agency from fulfilling its obligations hereunder; (b) The Company, by executing this agreement, acknowledges and agrees to make, or cause its Additional Agents, whether appointed as an agent of the Agency in accordance with Section 3.06 hereof or not, to make, all records and information regarding State and local sales and use tax exemption benefits given to the Project as part of the Financial Assistance available to the Agency upon request, including but not limited to the Form ST-340 for itself and each Additional Agent; (c) the Company, by executing this Agreement, acknowledges and agrees to the terms and conditions of Section 875(3) of the Act as if such section were fully set forth herein and further agrees to cause all of its Additional Agents to acknowledge, agree and consent to same. Without limiting the scope of the foregoing the Company acknowledges that pursuant to Section 875(3) of the Act, and in accordance with the Agency's policy and/or position, the Agency shall recover, recapture, receive or otherwise obtain from the Company the portion of the Financial Assistance (the "**Recapture Amount**") consisting of: (1) (a) that portion of the State sales tax exemption to which the Company was not entitled, which is in excess of the amount of the State sales tax exemption authorized by the Agency or which is for property or services not authorized by the Agency; or (b) the full amount of such State sales tax exemption, if the Company fails to comply with a material term or condition regarding the use of the property or services as represented to the Agency in its Application or otherwise; and (2) any interest or penalties thereon imposed by the Agency or by operation of law or by judicial order or otherwise; and (d) The failure of the Company to promptly pay such Recapture Amount to the Agency will be grounds for the Commissioner to collect sales and use taxes from the Company under Article 28 of the State Tax Law, together with interest and penalties. In addition to the foregoing, the Company acknowledges and agrees that for purposes of exemption from New York State (the "**State**") sales and use taxation as part of the Financial Assistance requested, "sales and use taxation" shall mean sales and compensating use taxes and fees imposed by article twenty-eight or twenty-eight-A of the New York State tax law but excluding such taxes imposed in a city by section eleven hundred seven or eleven hundred eight of such article twenty-eight.

4.03. The Company agrees that it will, within thirty (30) days of a written request for same, regardless of whether or not this matter closes or the Project Facility is

completed: (i) reimburse the Agency for all reasonable and necessary expenses, including without limitation the fees and expenses of counsel to the Agency arising from, out of or in connection with the Project, and/or any documents executed in connection therewith, including, but not limited to any claims or actions taken by the Agency against the Company, Additional Agents or third parties; and (ii) indemnify the Agency from all losses, claims, damages and liabilities, in each case which the Agency may incur as a consequence of executing this Agreement or performing its obligations hereunder, including but not limited to, any obligations related to Additional Agents.

4.04. If for any reason the Lease Documents are not executed and delivered by the Company and the Agency on or before eighteen (18) months from the execution hereof, the provisions of this Agreement (other than the provisions of Articles 1.04, 2.02, 2.04, 3.01, 3.02, 3.03, 3.05, 3.06, 4.02, 4.03, 4.04, 4.05 and 4.06, which shall survive) shall unless extended by agreement of the Agency and the Company, terminate and be of no further force or effect, and following such termination neither party shall have any rights against the other party except:

(a) The Company shall pay the Agency for all expenses incurred by the Agency in connection with the acquisition, renovation, construction and equipping of the Project Facility;

(b) The Company shall assume and be responsible for any contracts for construction or purchase of equipment entered into by the Agency at the request of or as agent for the Company in connection with the Project Facility; and

(c) The Company will pay the out-of-pocket expenses of members of the Agency, counsel for the Agency and special Agency counsel incurred in connection with the Project and will pay the fees of counsel for the Agency and special Agency counsel for legal services relating to the Project Facility, Additional Agents or the proposed financing thereof.

4.05. The Company acknowledges that Section 875(7) of the New York General Municipal Law (“GML”) requires the Agency to post on its website all resolutions and agreements relating to the Company’s appointment as an agent of the Agency or otherwise related to the Project, including this Agreement; and Article 6 of the New York 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 Company feels that there are elements of the Project or information about the Company in the Agency’s possession 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 Company’s competitive position, the Company must identify such elements in writing, supply same to the Agency: (i) with respect to this Agreement, prior to or contemporaneously with the execution hereof; and (ii) with respect to all other agreements executed in connection with the Project, on or before the Closing Date, and request that such elements be kept confidential in accordance with Article 6 of the Public Officers Law. Failure to do so will result in the posting by the Agency of all information in accordance

with Section 875 of the GML.

4.06 That every controversy, dispute or claim arising out of or relating to this Agreement shall be governed by the laws of the State of New York, without regard to its conflict-of-laws provisions that if applied might require the application of the laws of another jurisdiction; and that the Company irrevocably and expressly submits to the exclusive personal jurisdiction of the Supreme Court of the State of New York and the United States District Court for the Northern District of New York, to the exclusion of all other courts, for the purposes of litigating every controversy, dispute or claim arising out of or relating to this Agreement.

In Witness Whereof, the parties hereto have entered in this Agreement as of April 27, 2016.

**COUNTY OF OSWEGO INDUSTRIAL
DEVELOPMENT AGENCY**

By: _____

L. Michael Treadwell
Chief Executive Officer

NINE MILE POINT NUCLEAR STATION, LLC

By: _____

Name, Title

INITIAL RESOLUTION

A regular meeting of the County of Oswego Industrial Development Agency was convened in public session on April 27, 2016, at 9:00 a.m., at 44 West Bridge Street, Oswego, New York.

The meeting was called to order by the Chair and, upon the roll being duly called, the following members were:

PRESENT: Nick Canale, Jr., Carolyn A. Rush, H. Leonard Schick and Gary T. Toth

ABSENT: Donald H. Kunzwiler and Morris Sorbello

ALSO PRESENT: Kevin C. Caraccioli, David S. Dano, Roy Reehil,
L. Michael Treadwell and Teresa Woolson

The following resolution was duly offered and seconded:

RESOLUTION DETERMINING THAT THE ACQUISITION AND INSTALLATION OF EQUIPMENT AT THE REQUEST OF THE COMPANY CONSTITUTES A PROJECT AND DESCRIBING THE FINANCIAL ASSISTANCE REQUESTED IN CONNECTION THEREWITH AND AUTHORIZING A PUBLIC HEARING

WHEREAS, the County of Oswego Industrial Development Agency (the “*Agency*”) is authorized and empowered by Title 1 of Article 18-A of the General Municipal Law of the State of New York (the “*State*”), as amended, together with Chapter 234 of the Laws of 1973 of the State of New York, as amended from time to time (collectively, the “*Act*”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, including industrial pollution control facilities, railroad facilities and certain horse racing facilities, for the purpose of promoting, attracting, encouraging and developing recreation and economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State, to improve their recreation opportunities, prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to grant “financial assistance” (as defined in the Act) in connection with the acquisition, reconstruction and equipping of one or more “projects” (as defined in the Act); and

WHEREAS, Novelis Corporation (the “*Company*”), submitted an application to the Agency on or about April 20, 2016 (the “*Application*”), a copy of which is on file at the office of the Agency, requesting that the Agency consider undertaking a project (the “*Project*”) consisting of: (A) (i) the acquisition or continuation of a leasehold interest or license in approximately 7-8 acres of improved real property (“*Existing Facility*”) located at 448 County Route 1A, Town of Scriba, Oswego County New York (the “*Land*”); and (ii) the installation of a pusher furnace to be used to preheat ingots to begin the hot rolling process of aluminum (the “*Equipment*”), to be located in the Existing Facility (the Existing Facility and Equipment are hereinafter collectively referred to as the “*Project Facility*”); (B) granting certain financial assistance in the form of exemptions from State and local sales and use taxation (the “*Financial Assistance*”); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, construction and equipping of the Project Facility; and (D) the lease or license of the Land and Facility from the Company by the Agency pursuant to a lease agreement; the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company; and the sublease of the Project Facility by the Agency to the Company pursuant to a sublease agreement; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law of the State of New York, as amended, and the regulations of the Department of Environmental Conservation of the State of New York promulgated thereunder (collectively referred to hereinafter as “*SEQRA*”), the Agency is required to make a determination with respect to the environmental impact of any “action” (as defined by SEQRA) to be taken by the Agency and the preliminary agreement of the Agency to undertake the Project constitutes such an action; and

WHEREAS, the grant of Financial Assistance to the Project is subject to the Agency finding after a public hearing pursuant to Section 859-a of the Act that the Project will serve the public purposes of the Act by promoting economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State or increasing the overall number of permanent, private sector jobs in the State; and

WHEREAS, the Agency has not approved undertaking the Project or the granting of the Financial Assistance; and

WHEREAS, the grant of Financial Assistance to the Project is subject to the Agency finding after a public hearing pursuant to Section 859-a of the Act that the Project will serve the public purposes of the Act by promoting economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State or increasing the overall number of permanent, private sector jobs in the State.

NOW, THEREFORE, be it resolved by the Members of the County of Oswego Industrial Development Agency as follows:

Section 1. Based upon the representations made by the Company to the Agency, the Agency hereby makes the following findings and determinations:

- (a) The Project Facility constitutes a “project” within the meaning of the Act.

(b) The Financial Assistance contemplated with respect to the Project consists of exemption from State and local sales and use taxation.

Section 2. The Agency hereby directs that pursuant to Section 859-a of the Act, a public hearing with respect to the Project and Financial Assistance shall be scheduled with notice thereof published, and such notice shall further be sent to affected tax jurisdictions within which the Project is located.

Section 3. A copy of this Resolution shall be placed on file in the office of the Agency where the same shall be available for public inspection during business hours.

Section 4. The Chief Executive Officer of the Agency is hereby authorized and directed to distribute copies of this Resolution to the Company and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 5. This Resolution shall take effect immediately.

The question of the adoption of the foregoing resolution was duly put to vote on a roll call, which resulted as follows:

	<u>Aye</u>	<u>Nay</u>	<u>Abstain</u>	<u>Absent</u>	<u>Recuse</u>
Nick Canale, Jr.	X				
Donald H. Kunzwiler				X	
Carolyn A. Rush	X				
H. Leonard Schick	X				
Morris Sorbello				X	
Gary T. Toth	X				

The resolution was thereupon declared duly adopted.

STATE OF NEW YORK)
) ss.:
COUNTY OF OSWEGO)

I, the undersigned, Chief Executive Officer of the County of Oswego Industrial Development Agency, **DO HEREBY CERTIFY** that (i) I have compared the annexed extract of the minutes of the meeting of the County of Oswego Industrial Development Agency (the “**Agency**”) held on April 27, 2016, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of the whole of such original insofar as the same relates to the subject matters referred to therein.

I FURTHER CERTIFY that (i) all members of the Agency had due notice of such meeting, (ii) pursuant to Section 104 of the Public Officers Law (Open Meetings Law), such meeting was open to the general public and public notice of the time and place of such meeting was duly given in accordance with such Section 104, (iii) the meeting was in all respects duly held, and (iv) there was a quorum present throughout.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency on April 27, 2016.

L. Michael Treadwell,
Chief Executive Officer

(SEAL)

INITIAL RESOLUTION

A regular meeting of the County of Oswego Industrial Development Agency was convened in public session on April 27, 2016, at 9:00 a.m., at 44 West Bridge Street, Oswego, New York.

The meeting was called to order by the Chair and, upon the roll being duly called, the following members were:

PRESENT: Nick Canale, Jr., Carolyn A. Rush, Gary T. Toth and H. Leonard Schick

ABSENT: Donald H. Kunzwiler and Morris Sorbello

ALSO PRESENT: Kevin C. Caraccioli, David S. Dano, Roy Reehil,
L. Michael Treadwell and Teresa Woolson

The following resolution was duly offered and seconded:

RESOLUTION DETERMINING THAT THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF A COMMERCIAL FACILITY AT THE REQUEST OF THE COMPANY CONSTITUTES A PROJECT AND DESCRIBING THE FINANCIAL ASSISTANCE REQUESTED IN CONNECTION THEREWITH AND AUTHORIZING A PUBLIC HEARING

WHEREAS, the County of Oswego Industrial Development Agency (the “*Agency*”) is authorized and empowered by Title 1 of Article 18-A of the General Municipal Law of the State of New York (the “*State*”), as amended, together with Chapter 234 of the Laws of 1973 of the State of New York, as amended from time to time (collectively, the “*Act*”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, including industrial pollution control facilities, railroad facilities and certain horse racing facilities, for the purpose of promoting, attracting, encouraging and developing recreation and economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State, to improve their recreation opportunities, prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to grant “financial assistance” (as defined in the Act) in connection with the acquisition, reconstruction and equipping of one or more “projects” (as defined in the Act); and

WHEREAS, Oswego Lodging Group LLC, or an entity to be formed (the “*Company*”), submitted an application to the Agency on or about April 20, 2016 (“*Application*”), a copy of which is on file at the office of the Agency, requesting the Agency consider undertaking a project (the “*Project*”) consisting of: (A) (i) the acquisition of a leasehold interest in approximately 3.9 acres of vacant land located at 252 State Route 104, City of Oswego, Oswego County, New York (the “*Land*”); (ii) construction of an approximately 52,000 square foot four (4) story, approximately eighty-nine (89) room hotel (the “*Facility*”), along with associated site improvements including, but not limited to, parking areas, sidewalks, curbing, utilities, grading stormwater management, lighting, signage and landscaping, all located on the Land; (iii) the acquisition of and installation in the Facility of various machinery, equipment and furnishings (collectively the “*Equipment*”) (the Land, Facility and Equipment are hereinafter collectively referred to as the “*Project Facility*”); (B) the granting of certain financial assistance in the form of exemptions from real property taxes, mortgage recording tax and State and local sales and use tax (collectively, the “*Financial Assistance*”); and (C) the lease of the Land and Facility by the Agency pursuant to a lease agreement; the acquisition by the Agency of an interest in the Equipment pursuant to a bill of sale from the Company; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law of the State of New York, as amended, and the regulations of the Department of Environmental Conservation of the State of New York promulgated thereunder (collectively referred to hereinafter as “*SEQRA*”), the Agency is required to make a determination with respect to the environmental impact of any “action” (as defined by SEQRA) to be taken by the Agency and the preliminary agreement of the Agency to undertake the Project constitutes such an action; and

WHEREAS, the grant of Financial Assistance to the Project is subject to the Agency finding after a public hearing pursuant to Section 859-a of the Act that the Project will serve the public purposes of the Act by promoting economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State or increasing the overall number of permanent, private sector jobs in the State; and

WHEREAS, the Agency has not approved undertaking the Project or the granting of the Financial Assistance; and

WHEREAS, the grant of Financial Assistance to the Project is subject to the Agency finding after a public hearing pursuant to Section 859-a of the Act that the Project will serve the public purposes of the Act by promoting economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State or increasing the overall number of permanent, private sector jobs in the State.

NOW, THEREFORE, be it resolved by the Members of the County of Oswego Industrial Development Agency as follows:

Section 1. Based upon the representations made by the Company to the Agency, the Agency hereby makes the following findings and determinations:

(a) The Project Facility constitutes a “project” within the meaning of the Act.

(b) The Financial Assistance contemplated with respect to the Project consists of exemptions from real property tax, mortgage recording tax and State and local sales and use taxation.

Section 2. The Agency hereby directs that pursuant to Section 859-a of the Act, a public hearing with respect to the Project and Financial Assistance shall be scheduled with notice thereof published, and such notice shall further be sent to affected tax jurisdictions within which the Project is located.

Section 3. A copy of this Resolution shall be placed on file in the office of the Agency where the same shall be available for public inspection during business hours.

Section 4. The Chief Executive Officer of the Agency is hereby authorized and directed to distribute copies of this Resolution to the Company and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 5. This Resolution shall take effect immediately.

The question of the adoption of the foregoing resolution was duly put to vote on a roll call, which resulted as follows:

	<u>Aye</u>	<u>Nay</u>	<u>Abstain</u>	<u>Absent</u>	<u>Recuse</u>
Nick Canale, Jr.	X				
Donald H. Kunzwiler				X	
Carolyn A. Rush	X				
H. Leonard Schick	X				
Morris Sorbello				X	
Gary T. Toth	X				

The resolution was thereupon declared duly adopted.

STATE OF NEW YORK)
) ss.:
COUNTY OF OSWEGO)

I, the undersigned, Chief Executive Officer of the County of Oswego Industrial Development Agency, **DO HEREBY CERTIFY** that (i) I have compared the annexed extract of the minutes of the meeting of the County of Oswego Industrial Development Agency (the “**Agency**”) held on April 27, 2016, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of the whole of such original insofar as the same relates to the subject matters referred to therein.

I FURTHER CERTIFY that (i) all members of the Agency had due notice of such meeting, (ii) pursuant to Section 104 of the Public Officers Law (Open Meetings Law), such meeting was open to the general public and public notice of the time and place of such meeting was duly given in accordance with such Section 104, (iii) the meeting was in all respects duly held, and (iv) there was a quorum present throughout.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency on April 27, 2016.

L. Michael Treadwell,
Chief Executive Officer

(SEAL)

INITIAL RESOLUTION

A regular meeting of the County of Oswego Industrial Development Agency was convened in public session on April 27, 2016, at 9:00 a.m., at 44 West Bridge Street, Oswego, New York.

The meeting was called to order by the Chair and, upon the roll being duly called, the following members were:

PRESENT: Nick Canale, Jr., Carolyn A. Rush, H. Leonard Schick and Gary T. Toth

ABSENT: Donald H. Kunzwiler and Morris Sorbello

ALSO PRESENT: Kevin C. Caraccioli, David S. Dano, Roy Reehil,
L. Michael Treadwell and Teresa Woolson

The following resolution was duly offered and seconded:

RESOLUTION DETERMINING THAT THE ACQUISITION, RENOVATION AND EQUIPPING OF A COMMERCIAL FACILITY AT THE REQUEST OF THE COMPANY CONSTITUTES A PROJECT AND DESCRIBING THE FINANCIAL ASSISTANCE REQUESTED IN CONNECTION THEREWITH AND AUTHORIZING A PUBLIC HEARING

WHEREAS, the County of Oswego Industrial Development Agency (the “*Agency*”) is authorized and empowered by Title 1 of Article 18-A of the General Municipal Law of the State of New York (the “*State*”), as amended, together with Chapter 234 of the Laws of 1973 of the State of New York, as amended from time to time (collectively, the “*Act*”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, including industrial pollution control facilities, railroad facilities and certain horse racing facilities, for the purpose of promoting, attracting, encouraging and developing recreation and economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State, to improve their recreation opportunities, prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to grant “financial assistance” (as defined in the Act) in connection with the acquisition, reconstruction and equipping of one or more “projects” (as defined in the Act); and

WHEREAS, Camelot Lodge LLC, or an entity to be formed (the “*Company*”), submitted an application to the Agency on or about April 20, 2016 (“*Application*”), a copy of which is on file at the office of the Agency, requesting the Agency consider undertaking a project (the “*Project*”) consisting of: (A) (i) the acquisition of a leasehold interest in approximately 12,133 square feet of improved real property located at 1 West Seneca Street, City of Oswego, Oswego County, New York (the “*Land*”); (ii) the renovation of an approximately 8,600 square foot existing building for use as a mixed use facility consisting of approximately six (6) residential units and approximately 1,400 square feet of retail space (collectively, the “*Facility*”), all located on the Land; (iii) the acquisition of and installation in the Facility of various machinery, equipment and furnishings (collectively the “*Equipment*”) (the Land, Facility and Equipment are hereinafter collectively referred to as the “*Project Facility*”); (B) the granting of certain financial assistance in the form of exemptions from real property taxes, mortgage recording tax and State and local sales and use tax, (collectively, the “*Financial Assistance*”); (C) entering a lease transaction for the purchase of equipment to be used in the Project Facility in an amount not to exceed \$200,000; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement; the acquisition by the Agency of an interest in the Equipment pursuant to a bill of sale from the Company; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law of the State of New York, as amended, and the regulations of the Department of Environmental Conservation of the State of New York promulgated thereunder (collectively referred to hereinafter as “*SEQRA*”), the Agency is required to make a determination with respect to the environmental impact of any “action” (as defined by SEQRA) to be taken by the Agency and the preliminary agreement of the Agency to undertake the Project constitutes such an action; and

WHEREAS, the grant of Financial Assistance to the Project is subject to the Agency finding after a public hearing pursuant to Section 859-a of the Act that the Project will serve the public purposes of the Act by promoting economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State or increasing the overall number of permanent, private sector jobs in the State; and

WHEREAS, the Agency has not approved undertaking the Project or the granting of the Financial Assistance; and

WHEREAS, the grant of Financial Assistance to the Project is subject to the Agency finding after a public hearing pursuant to Section 859-a of the Act that the Project will serve the public purposes of the Act by promoting economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State or increasing the overall number of permanent, private sector jobs in the State.

NOW, THEREFORE, be it resolved by the Members of the County of Oswego Industrial Development Agency as follows:

Section 1. Based upon the representations made by the Company to the Agency, the Agency hereby makes the following findings and determinations:

(a) The Project Facility constitutes a “project” within the meaning of the Act.

(b) The Financial Assistance contemplated with respect to the Project consists of exemptions from real property tax, mortgage recording tax and State and local sales and use taxation and a lease-leaseback transaction in the sum of \$200,000 from the Agency’s PILOT Economic Development Fund for the purchase of Equipment to be used in the Project Facility.

Section 2. The Agency hereby directs that pursuant to Section 859-a of the Act, a public hearing with respect to the Project and Financial Assistance shall be scheduled with notice thereof published, and such notice shall further be sent to affected tax jurisdictions within which the Project is located.

Section 3. A copy of this Resolution shall be placed on file in the office of the Agency where the same shall be available for public inspection during business hours.

Section 4. The Chief Executive Officer of the Agency is hereby authorized and directed to distribute copies of this Resolution to the Company and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 5. This Resolution shall take effect immediately.

The question of the adoption of the foregoing resolution was duly put to vote on a roll call, which resulted as follows:

	<u>Aye</u>	<u>Nay</u>	<u>Abstain</u>	<u>Absent</u>	<u>Recuse</u>
Nick Canale, Jr.	X				
Donald H. Kunzwiler				X	
Carolyn A. Rush	X				
H. Leonard Schick	X				
Morris Sorbello				X	
Gary T. Toth	X				

The resolution was thereupon declared duly adopted.

STATE OF NEW YORK)
) ss.:
COUNTY OF OSWEGO)

I, the undersigned, Chief Executive Officer of the County of Oswego Industrial Development Agency, **DO HEREBY CERTIFY** that (i) I have compared the annexed extract of the minutes of the meeting of the County of Oswego Industrial Development Agency (the “**Agency**”) held on April 27, 2016, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of the whole of such original insofar as the same relates to the subject matters referred to therein.

I FURTHER CERTIFY that (i) all members of the Agency had due notice of such meeting, (ii) pursuant to Section 104 of the Public Officers Law (Open Meetings Law), such meeting was open to the general public and public notice of the time and place of such meeting was duly given in accordance with such Section 104, (iii) the meeting was in all respects duly held, and (iv) there was a quorum present throughout.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency on April 27, 2016.

L. Michael Treadwell,
Chief Executive Officer

(SEAL)