

MINUTES
COUNTY OF OSWEGO INDUSTRIAL DEVELOPMENT AGENCY
May 22, 2017
IDA OFFICE BUILDING
44 W. BRIDGE ST.
OSWEGO, NEW YORK

PRESENT: Canale, Kells, Kunzwiler, Schick and Toth

Absent/Excused: Sorbello and Trimble

Also Present: Kevin C. Caraccioli, David S. Dano, Joe Marmon and L. Michael Treadwell

Chair Toth 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. Canale, seconded by Mr. Kunzwiler, the minutes of the May 5, 2017 meeting were approved.

TREASURER'S REPORT

On a motion by Mr. Schick, seconded by Mr. Canale, the Financial Statements for the period ended February 28, 2017 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 May 10, 2017.

Executive Session

Chair Toth and Mr. Caraccioli reported that due to matters involving the financial history of a business/organization and individuals and pending and current contractual matters, on a motion by Mr. Canale, seconded by Mr. Toth, it was approved to go into Executive Session at 9:36 a.m.

On a motion by Mr. Schick, seconded by Mr. Canale, the Executive Session ended at 10:28 a.m.

Marmon Enterprises USA, LLC

Mr. Toth thanked Mr. Marmon for providing an overview and history of Hardwood Transformations and Designer Hardwood Flooring and the reasons why relocating from Oswego to the Town of Williamstown was a good strategic move for the future of the companies.

Mr. Caraccioli disclosed that he has been asked to represent Mr. Marmon on the project. On a motion by Mr. Schick, seconded by Mr. Canale, it was approved to extend a waiver of conflict of interest in this case.

Following a review of the Application for Financial Assistance and the Cost/Benefit Analysis of the project, a copy of each are on file at the Agency, on a motion by Mr. Canale, seconded by Mr. Schick, a resolution was approved determining that a certain project to be undertaken by Marmon Enterprises USA, LLC constitutes an Unlisted Action pursuant to the SEQRA and 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. Canale, seconded by Mr. Schick, a resolution was approved undertaking the acquisition, renovation, equipping and completion of a certain project, appointing the Company as Agent of the Agency for the purpose of the acquisition, renovation, equipping and completion of the project; approving certain financial assistance; 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, 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.

On a motion by Mr. Canale, seconded by Mr. Schick, 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.

Following a discussion on the IRP EDF funding for working capital associated with the project, on a motion by Mr. Schick, seconded by Mr. Canale, the financial assistance for working capital in the amount of \$100,000 was approved. A copy of the Financing Proposal Summary and Cost/Benefit Analysis is on file at the Agency.

COIDA Incubator

Following a review of the request from the Oswego City Fire Department to use the parking lot for a Community Safety Day event on June 17, 2017, from 11 am to 2 pm, on a motion by Mr. Kunzwiler, seconded by Mr. Canale, the request was approved subject to execution of an agreement for liability coverage and legal counsel was authorized to finalize the agreement.

Mr. Treadwell reported that further discussions with the Central New York Regional Planning and Development Board regarding potential EDA funding for the incubator project has prompted a pre-application recommendation to be made by the CNY RPDB. On a motion by Mr. Canale, seconded by Mr. Schick, authorization was made to pursue EDA funding assistance.

Mr. Treadwell reported that all documentation to request the release of funds from ESDC for the \$30,000 Feasibility Study was completed.

Following a discussion on needed landscaping at the abandoned Price Chopper Building and future incubator, on a motion by Mr. Canale, seconded by Mr. Schick, authorization was approved to seek bids for the work and secure a contractor to complete the work before Harborfest if possible. The selection was subject to a cap.

Columbia Mills

Mr. Treadwell reported that the Travel Trailer has been removed from the site.

Budget Reports – Revenues and Expenses

Following a review, on a motion by Mr. Schick, seconded by Mr. Canale, the following Budget Reports were approved and authorized to be submitted to the State and posted on the website:

- Actual (8/1/15 – 7/31/16)
- Estimated (8/1/16 – 7/31/17)
- Projected (8/1/17 – 7/31/18)

A copy of the Budget Reports are attached and made an official part of the minutes.

OOO Administrative Services Agreement

Following a discussion, on a motion by Mr. Schick, seconded by Mr. Kunzwiler, authorization was approved to amend and extend the Administrative Service Agreement for 2018 at \$295,000.

Industrial Park Expansion

A discussion held regarding an appraisal completed for potential properties.

MDR Properties LLC/United Wire Technologies

Following a discussion on the proposed expansion project, on a motion by Mr. Canale, seconded by Mr. Kells, a resolution was approved determining that the acquisition, construction and equipping of a commercial facility at the request of the Company constitutes a project; 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.

Regional WWT System Feasibility Study

Following a discussion on a CFA Round 7 application to conduct a feasibility study that an Intent to Propose submittal was done, on a motion by Mr. Canale, seconded by Mr. Schick, authorization was approved to secure the professional services of C&S Companies to assist in preparing the CFA application due to the technical nature of the project and the Company's knowledge of the property due to prior work on the WWT property. The service agreement was subject to a cap.

Operation Oswego County's Annual Meeting

Mr. Treadwell reported that the Keynote Speaker at the Annual Meeting would be Chris Mudrick, Senior Vice President of Northeast Operations for Exelon Corporation.

Grossman St. Amour, CPAs PLLC/Audit FY Ending 7/31/17

Following a review of the Engagement Letter dated May 3, 2017, on a motion by Mr. Schick, seconded by Mr. Kunzwiler, authorization was approved to acknowledge and agree to the Engagement Letter for Grossman St. Amour, CPAs PLLC to conduct the Audit of the COIDA for FY Ending July 31, 2017.

Next Meeting

June 26, 2017 at 9:00 a.m. was scheduled.

Adjournment

On a motion by Mr. Schick, seconded by Mr. Canale, the meeting was adjourned at 10:55 a.m.

Respectfully Submitted,

H. Leonard Schick
Secretary

SEQRA RESOLUTION

A regular meeting of the County of Oswego Industrial Development Agency was convened in public session on May 22, 2017, 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, Tom Kells, Donald H. Kunzwiler, H. Leonard Schick, and Gary T. Toth

ABSENT: Morris Sorbello and Barry Trimble

ALSO PRESENT: Kevin C. Caraccioli, David S. Dano, Joe Marmon and L. Michael Treadwell

The following resolution was duly offered and seconded:

RESOLUTION DETERMINING THAT A CERTAIN PROJECT TO BE UNDERTAKEN BY MARMON ENTERPRISES USA, LLC CONSTITUTES AN UNLISTED ACTION PURSUANT TO THE STATE ENVIRONMENTAL QUALITY REVIEW ACT AND 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, Marmon Enterprises USA, LLC, a New York State limited liability company, or an entity to be formed (the “*Company*”), submitted an application to the Agency on or about April 23, 2017 (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 approximately 10.04 acres of real property located at 259 CC Road, Town of Williamstown, State of New York (the “*Land*”) improved by an approximately 48,835 square foot building (the “*Building*”) located on the Land; (ii) renovation of the Building for use as manufacturer and finisher of hardwood flooring (collectively, the “*Facility*”); (iii) the acquisition and installation in and around the Facility and/or for use in connection with the Project of various machinery, equipment and furnishings (collectively the “*Equipment*”) (the Land, the Building, the 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 (except as limited by Section 874 of the General Municipal Law), State and local sales and use tax and a loan from the Agency’s Economic Development Fund in an amount not to exceed \$200,000 (the “*EDF Loan*”) (collectively, the “*Financial Assistance*”); and (C) the lease of the Land, Building 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 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.

(2) 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				
Tom Kells	X				
Donald H. Kunzwiler	X				
H. Leonard Schick	X				
Morris Sorbello				X	
Gary T. Toth	X				
Barry Trimble				X	

The foregoing resolution was thereupon declared duly adopted.

EXHIBIT "A"
NEGATIVE DECLARATION

INDUCEMENT RESOLUTION

A regular meeting of the County of Oswego Industrial Development Agency was convened in public session on May 22, 2017, 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., Tom Kells, Donald H. Kunzwiler, H. Leonard Schick, and Gary T. Toth

ABSENT: Morris Sorbello and Barry Trimble

ALSO PRESENT: Kevin C. Caraccioli, David S. Dano, Joe Marmon and L. Michael Treadwell

The following resolution was duly offered and seconded:

RESOLUTION UNDERTAKING THE ACQUISITION, RENOVATION, EQUIPPING AND COMPLETION OF A CERTAIN PROJECT, APPOINTING THE COMPANY AS AGENT OF THE AGENCY FOR THE PURPOSE OF THE ACQUISITION, RENOVATION, EQUIPPING AND COMPLETION OF THE PROJECT; APPROVING CERTAIN FINANCIAL ASSISTANCE; 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, Marmon Enterprises USA, LLC, a New York State limited liability company, or an entity to be formed (the “*Company*”), submitted an application to the Agency on or about April 23, 2017 (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 approximately 10.04 acres of real property located at 259 CC Road, Town of Williamstown, State of New York (the “*Land*”) improved by an approximately 48,835 square foot building (the “*Building*”) located on the Land; (ii) renovation of the Building for use as manufacturer and finisher of hardwood flooring (collectively, the “*Facility*”); (iii) the acquisition and installation in and around the Facility and/or for use in connection with the Project of various machinery, equipment and furnishings (collectively the “*Equipment*”) (the Land, the Building, the 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 (except as limited by Section 874 of the General Municipal Law), State and local sales and use tax and a loan from the Agency’s Economic Development Fund in an amount not to exceed \$200,000 (the “*EDF Loan*”) (collectively, the “*Financial Assistance*”); and (C) the lease of the Land, Building 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, the Agency adopted a resolution on May 5, 2017 describing the Project, 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 May 19, 2017 pursuant to Section 859-a of the Act, notice of which was published on May 9, 2017 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 May 9, 2017; and

WHEREAS, a letter, pursuant to Section 859-a of the General Municipal Law, was sent to the Mayor of the City of Oswego and the Chairman of the County Legislature regarding the Company’s relocation from the City of Oswego, New York to the Town of Williamstown, New York; and

WHEREAS, the Company has advised that its relocation is necessary in order to acquire a building for a permanent location which will enhance the Company’s financial and competitive position in its industry through further growth and development; 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 May 22, 2017, 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 advancing job opportunities and economic welfare of the people of the State and the County and improve their standard of living.

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 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, 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 granting of the Financial Assistance will be an inducement to the Company to develop the Project in the County of Oswego.

- d. The commitment of the Agency to provide Financial Assistance to the Company will assist the Company in undertaking the Project.
- e. The renovation, equipping and completion of the Project will promote employment opportunities, help prevent economic deterioration in the County of Oswego and advance the health, general prosperity and economic welfare of the people of the State.
- f. 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, equipping and completion of the Project will be an inducement to the Company to construct, equip and complete the Project Facility in the County of Oswego, and will serve the purposes of the Act by, among other things, promoting job opportunities and the general prosperity and economic welfare of the inhabitants of the County of Oswego; and the granting of the Financial Assistance will assist in financing the costs of the acquisition, renovation, equipping and completion of the Project.
- g. 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 and the Project Agreement (as each is defined herein), the satisfaction of the conditions of this Resolution, the Agreement, the Project Agreement and the payment by the Company of any attendant fees due to or incurred by the Agency, the Company is appointed the true and lawful agent of the Agency to proceed with the renovation, 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 9 shall not be effective until the Agreement and the Project Agreement are duly executed and delivered by the Company and the terms of this Resolution satisfied.

Section 4. As a condition to the granting of the Financial Assistance, the Company agrees to:

(A) 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.

(B) acknowledge and agree, that the Agency shall, and in some cases may, recapture from the Company or any Additional Agents the State and local sales and use tax exemption (the “**Recapture Amount**”) taken or purported to be taken by any such person to which the person or Project is not entitled or which are in excess of the amounts authorized or which are for property or services not authorized or taken in cases where such Company or Additional Agents failed to comply with a material term or condition to use property or services in the manner required by the Company or Additional Agents agreement with, or for the benefit of, the Agency. Such Company or Additional Agent shall cooperate with the Agency in its efforts to recover, recapture, receive, or otherwise obtain such State sales and use exemptions benefits and shall promptly pay over any such amounts to the Agency that it requests. The failure to pay over such amounts to the Agency shall be grounds for the commissioner to assess and determine State sales and use taxes due from the Company and/or Additional Agent under article twenty-eight of the tax law, together with any relevant penalties and interest due on such amounts. In addition, the Agency may recapture all other Financial Assistance in the event any of the foregoing occur or there is a Job Deficit, an Investment Deficit or a Reporting Failure (each as defined in the Agency’s Recapture Policy).

(C) execute and deliver a project agreement (the “**Project Agreement**”) setting forth certain terms and conditions relative to the approved Financial Assistance.

Section 5. Subject to the terms of this Resolution, and the execution and delivery of and compliance with, the Agreement and the Project Agreement, the Agency’s approval of the PILOT schedule, the Agency will: (i) acquire a controlling interest in the Land and Facility pursuant to a lease agreement (the “**Company**”) to be entered into between the Company and the Agency and accept an interest in the Equipment, if any, pursuant to a bill of sale from the Company (the “**Bill of Sale**”); (ii) sublease the Project Facility to the Company pursuant to a sublease agreement (the “**Agency Lease**” and together with the Company Lease, the Bill of Sale, the Project Agreement (as defined herein) and any other certificates and documents deemed necessary by the Agency to undertake the Project, collectively, the “**Lease Documents**”); (iii) grant the approved Financial Assistance; (iv) provided that no default shall have occurred and be continuing under the Agreement, the Lease Documents or any loan documents, and provided the Company has executed and delivered all documents and certificates required by the Agency in conjunction with the Agency’s undertaking of the Project, execute and deliver all other certificates and documents necessary or appropriate for the grant of the approved Financial Assistance, in form and substance acceptable to the Agency, 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 6. The terms and conditions of subdivision 3 of Section 875 of the Act are incorporated herein 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 **\$12,000**.

Section 7. The Company may utilize, and subject to the terms of this Resolution, the Agreement and the Project Agreement, 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, 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. 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.

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 and its counsel 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				
Tom Kells	X				
Donald H. Kunzwiler	X				
H. Leonard Schick	X				
Morris Sorbello				X	
Gary T. Toth	X				
Barry Trimble				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 May 22, 2017, 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 May 22, 2017.

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 **MARMON ENTERPRISES USA, 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 submitted an application to the Agency on or about October 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 10.04 acres of real property located at 259 CC Road, Town of Williamstown, State of New York (the "**Land**") improved by an approximately 48,835 square foot building (the "**Building**") located on the Land; (ii) renovation of the Building for use as manufacturer and finisher of hardwood flooring (collectively, the "**Facility**"); (iii) the acquisition and installation in and around the Facility and/or for use in connection with the Project of various machinery, equipment and furnishings (collectively the "**Equipment**") (the Land, the Building, the 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 (except as limited by Section 874 of the General Municipal Law), State

and local sales and use tax and a loan from the Agency's Economic Development Fund in an amount not to exceed \$200,000 (the "**EDF Loan**") (collectively, the "**Financial Assistance**"); and (C) the lease of the Land, Building 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.

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, a project agreement 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, 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, equip and complete the Project Facility in the County of Oswego (the "**County**"); (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 and the County.

1.05. The Agency has determined that the acquisition or continuation of a controlling interest in, and the renovation 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 May 22, 2017, 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, equipping and completion 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 **\$12,000**.

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, equipping and completion of the Project Facility, entering into contracts and doing all things requisite and proper for renovation 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, equipping and completing 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, equipping and completion 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, equipping and completion 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, equipping and completion 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, equipping and completion 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, equipping and completion 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, equipping and completion 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 Williamstown, 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 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.

3.03(a) The Company agrees that, whenever practicable, the Company shall hire employees and Additional Agents from the Agency's Labor Market Area which is defined to include the following counties: Oswego, Jefferson, Onondaga, Madison, Oneida and Cayuga.

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, equipping and completion 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 Labor Market Area 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 and recapture 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 and recapture 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, 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 Recapture Policy (which is published on the Agency's website or available at the Agency's office), the Agency shall, and in some instances may, 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 and local sales tax exemption to which the Company/Project was not entitled, which is in excess of the amount of the State and local 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 and local 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 accordance with the Agency's Recapture Policy, the Agency may recapture all other Financial Assistance in the event of any of the foregoing occur or there is a Job Deficit, an Investment Deficit or a Reporting Failure (each as defined in the Agency's Recapture Policy). 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 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 May 22, 2017.

**COUNTY OF OSWEGO INDUSTRIAL
DEVELOPMENT AGENCY**

By: _____
L. Michael Treadwell
Chief Executive Officer

MARMON ENTERPRISES USA, LLC

By: _____
Name:
Title:

PILOT RESOLUTION

A regular meeting of the County of Oswego Industrial Development Agency was convened in public session on May 22, 2017 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., Tom Kells, Donald H. Kunzwiler, H. Leonard Schick and Gary T. Toth

ABSENT: Morris Sorbello and Barry Trimble

ALSO PRESENT: Kevin C. Caraccioli, David S. Dano, Joe Marmon and L. Michael Treadwell

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, Marmon Enterprises USA, LLC, a New York State limited liability company, or an entity to be formed (the “**Company**”), submitted an application to the Agency on or about April 23, 2017 (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 approximately 10.04 acres of real property located at 259 CC Road, Town of Williamstown, State of New York (the “**Land**”) improved by an approximately 48,835 square foot building (the “**Building**”) located on the Land; (ii) renovation of the Building for use as manufacturer and finisher of hardwood flooring (collectively, the “**Facility**”); (iii) the acquisition and installation in and around the Facility and/or for use in connection with the Project of various machinery, equipment and furnishings (collectively the “**Equipment**”) (the Land, the Building, the 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 (except as limited by Section 874 of the General Municipal Law), State and local sales and use tax and a loan from the Agency’s Economic Development Fund in an amount not to exceed \$200,000 (the “**EDF Loan**”) (collectively, the “**Financial Assistance**”); and (C) the lease of the Land, Building 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 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 May 22, 2017, 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, on May 22, 2017 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 conforms with the Agency’s Uniform Tax Exemption Policy (“**UTEP**”) established pursuant to Section 874(4) of the Act for manufacturing facilities; and

WHEREAS, the Agency has given due consideration to the Application and to the representations by the Company that the provision of Financial Assistance: (i) will induce the Company to develop the Project Facility in the Town of Williamstown; (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 subject to the terms and conditions of the Resolutions. 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				
Tom Kells	X				
Donald H. Kunzwiler	X				
H. Leonard Schick	X				
Morris Sorbello				X	
Gary T. Toth	X				
Barry Trimble				X	

The resolution was thereupon declared duly adopted.

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

I, the undersigned Secretary 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 May 22, 2017, 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 May 22, 2017.

L. Michael Treadwell
Chief Executive Officer

(SEAL)

EXHIBIT "A"

PILOT SCHEDULE

Base of PILOT is equal to purchase price of \$285,000. Mfg. UTEP will be applied to any net incremental increase above the base. Current tax rates will apply each year. PILOT payments will be distributed to taxing authorities on a pro-rata basis

Mfg. UTEP Schedule For Exemptions

<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%

FINAL APPROVING RESOLUTION

A regular meeting of the County of Oswego Industrial Development Agency was convened in public session on May 22, 2017, 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., Tom Kells, Donald H. Kunzwiler, H. Leonard Schick and Gary T. Toth

ABSENT: Morris Sorbello and Barry Trimble

ALSO PRESENT: Kevin C. Caraccioli, David S. Dano, Joe Marmon and L. Michael Treadwell

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, Marmon Enterprises USA, LLC, a New York State limited liability company, or an entity to be formed (the “**Company**”), submitted an application to the Agency on or about April 23, 2017 (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 approximately 10.04 acres of real property located at 259 CC Road, Town of Williamstown, State of New York (the “**Land**”) improved by an approximately 48,835 square foot building (the “**Building**”) located on the Land; (ii) renovation of the Building for use as manufacturer and finisher of hardwood flooring (collectively, the “**Facility**”); (iii) the acquisition and installation in and around the Facility and/or for use in connection with the Project of various machinery, equipment and furnishings (collectively the “**Equipment**”) (the Land, the Building, the 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 (except as limited by Section 874 of the General Municipal Law), State and local sales and use tax and a loan from the Agency’s Economic Development Fund in an amount not to exceed \$200,000 (the “**EDF Loan**”) (collectively, the “**Financial Assistance**”); and (C) the lease of the Land, Building 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, a letter, pursuant to Section 859-a of the General Municipal Law, was sent to the Mayor of the City of Oswego and the Chairman of the County Legislature regarding the Company’s relocation from the City of Oswego, New York to the Town of Williamstown, New York; and

WHEREAS, the Company has advised that its relocation is necessary in order to acquire a building for a permanent location which will enhance the Company’s financial and competitive position in its industry through further growth and development; and

WHEREAS, the Agency conducted a public hearing with respect to the Project and the proposed Financial Assistance on May 19, 2017 pursuant to Section 859-a of the Act, notice of which was published on May 9, 2017 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 May 9, 2017; and

WHEREAS, the Agency adopted a resolution on May 5, 2017 (the “**Initial Resolution**”) entitled:

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**

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

WHEREAS, the Agency adopted a resolution on May 22, 2017 (the “*SEQRA Resolution*”) entitled:

RESOLUTION DETERMINING THAT A CERTAIN PROJECT TO BE UNDERTAKEN BY MARMON ENTERPRISES USA, LLC CONSTITUTES AN UNLISTED ACTION PURSUANT TO THE STATE ENVIRONMENTAL QUALITY REVIEW ACT AND 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 May 22, 2017 (the “*Inducement Resolution*”) entitled:

RESOLUTION UNDERTAKING THE ACQUISITION, RENOVATION, EQUIPPING AND COMPLETION OF A CERTAIN PROJECT, APPOINTING THE COMPANY AS AGENT OF THE AGENCY FOR THE PURPOSE OF THE ACQUISITION, RENOVATION, EQUIPPING AND COMPLETION OF THE PROJECT; APPROVING CERTAIN FINANCIAL ASSISTANCE; 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 May 22, 2017 (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 Town of Williamstown and 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 assist the Company to acquire, renovate, equip and complete the Project Facility.
- d) The acquisition, renovation, equipping and completion of the Project Facility will promote employment opportunities and help prevent economic deterioration in the County of Oswego and the State by the creation of full-time jobs.
- e) 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 State and the County of Oswego and the granting of the Financial Assistance is a necessary component to the financing of the Project.
- f) 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 and the Project Agreement (as those terms are defined in the Inducement Resolution), this Resolution, the SEQRA 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				
Tom Kells	X				
Donald H. Kunzwiler	X				
H. Leonard Schick	X				
Morris Sorbello				X	
Gary T. Toth	X				
Barry Trimble				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 May 22, 2017, 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 May 22, 2017.

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 May 22, 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., Tom Kells, Donald H. Kunzwiler, H. Leonard Schick and Gary T. Toth

ABSENT: Morris Sorbello and Barry Trimble

ALSO PRESENT: Kevin C. Caraccioli, David S. Dano and L. Michael Treadwell

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; 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, MDR Properties, LLC, or an entity to be formed (the “*Company*”), submitted an application to the Agency on or about May 17, 2017 (“*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 or continuation of a leasehold interest in approximately 7.7 acres of improved real property located at 1804 State Route 49, in the Town of Constantia, County of Oswego, State of New York (the “*Land*”); (ii) construction and renovation of an approximately 7,800 square foot addition to the existing approximately 15,600 square foot building, each located on the Land, for use as a copper based wire manufacturing facility (collectively, the “*Facility*”); (iii) the acquisition and installation in and around the Facility and/or for use in connection with the Project 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 (except as limited by Section 874 of the General Municipal Law), State and local sales and use tax and a loan from the Agency’s Economic Development Fund in an amount not to exceed \$200,000 (the “*EDF Loan*”) (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				
Tom Kells	X				
Donald H. Kunzwiler	X				
H. Leonard Schick	X				
Morris Sorbello				X	
Gary T. Toth	X				
Barry Trimble				X	

The resolution was thereupon declared duly adopted.

