

MINUTES
COUNTY OF OSWEGO INDUSTRIAL DEVELOPMENT AGENCY
August 24, 2018
IDA OFFICE BUILDING
44 W. BRIDGE ST.
OSWEGO, NEW YORK

PRESENT: Canale, Kells, Sorbello, Toth and Trimble

Absent/Excused: Kunzwiler and Schick

Also Present: Kevin C. Caraccioli, David S. Dano, Jim Mason, Kevin LaMontagne, David Turner, L. Michael Treadwell and Bob Wilmott

Chair Toth called the meeting to order at 1:00 p.m. at the offices of the County of Oswego IDA in Oswego, NY.

APPROVAL OF MINUTES

On a motion by Mr. Kells, seconded by Mr. Trimble, the minutes of the July 24, 2018 meeting were approved.

TREASURER'S REPORT

On a motion by Mr. Sorbello, seconded by Mr. Kells, the Financial Statements for the period ended May 31, 2018 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 August 9, 2018.

Howland Solar, LLC

Following a review of the Application for Financial Assistance and the Financing Proposal Summary and Cost/Benefit Analysis of the project, a copy of each are on file at the Agency, and a review of the Environmental Assessment Form and the action taken by the Sandy Creek Regional Planning Board, on a motion by Mr. Sorbello, seconded by Mr. Trimble, a resolution was approved classifying a certain project as a Type 1 Action pursuant to SEQRA and determining that the project will not have a significant adverse 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. Kells, seconded by Mr. Canale, a resolution was approved undertaking the acquisition, construction, installation, equipping and completion of a certain project, appointing the Company as Agent of the Agency for the purpose of the acquisition, construction, installation, 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. Trimble, seconded by Mr. Sorbello, 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. Kells, 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.

Route 176/Howard Road Wastewater Extension Project

Mr. Turner provided an overview of the strategies to secure funding to extend sewer services to support the County Airport and the Airport Industrial Park. Mr. Turner reported that the Northern Border Regional Commission has approved a \$500,000 grant. A discussion and review of an Inter-Municipal Agreement associated with the project for funding was held. On a motion by Mr. Canale, seconded by Mr. Kells, authorization was approved to participate and the CEO was authorized to execute the Amended and Restated Inter-Municipal Agreement by and between the Town of Volney, the County of Oswego, the City of Fulton and the Oswego County IDA regarding the Route 176/Howard Road Wastewater Extension. A copy of the Agreement is attached and made an official part of the minutes.

Grossman St. Amour

Mr. Treadwell reported on the cost of the audit for FY ended July 31, 2018.

Oswego Regional WWTP Study

Mr. Treadwell reported that the contract with C&S Companies was paid in full.

Camoin Associates

Mr. Treadwell reported that the contract for the Economic Advancement Plan was paid in full.

Riverview Automotive

Following a discussion, on a motion by Mr. Canale, seconded by Mr. Trimble, a charge off of bad debt in the amount of \$6,988.07 was approved.

BioSpherix

Following a review, on a motion by Mr. Trimble, seconded by Mr. Kells, authorization was approved to execute the Commercial Mortgage, Security Agreement and Assignment of Leases and Rents associated with a 2nd mortgage with M&T Bank.

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. Trimble, it was approved to go into Executive Session at 1:36 p.m.

On a motion by Mr. Canale, seconded by Mr. Sorbello, the Executive Session ended at 2:27 p.m.

Delinquent Loan Report

Mr. Dano and Mr. LaMontagne reviewed the report for the period ended July 31, 2018 in Executive Session. On a motion by Mr. Canale, seconded by Mr. Sorbello, authorization was approved to enter into a purchase contract for collateral associated with the Eco Foam project with Sean Broadwell.

Zink Shirts

On a motion by Mr. Canale, seconded by Mr. Kells, a Compliance Agreement associated with a loan was approved.

Salmon River Solar, LLC

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

The term of the PILOT being requested would be a deviation from the Agency's UTEP. On a motion by Mr. Sorbello, seconded by Mr. Canale, authorization was approved to use the structure as approved for a prior solar project in the Deviation Letter to the taxing authorities.

Property Appraisal

Mr. Treadwell and Mr. Caraccioli reported that the Agency is still awaiting a proposal from the appraisal work from Cushman & Wakefield.

120 St. Paul St. Property

Following a discussion relative to the acquisition by CONNECTGEN LLC, on a motion by Mr. Sorbello, seconded by Mr. Canale, authorization was approved for a lease up to one year to be negotiated while financing is being put into place to allow use of the facility in the interim.

Martens Project

Mr. Treadwell and Mr. Caraccioli reported that the negotiations for the acquisition are still ongoing.

Next Meeting

September 27, 2018 at 9:00 a.m. was scheduled.

Adjournment

On a motion by Mr. Canale, seconded by Mr. Sorbello, the meeting was adjourned at 2:35 p.m.

Respectfully Submitted,

L. Michael Treadwell
CEO

SEQRA RESOLUTION

A regular meeting of the County of Oswego Industrial Development Agency was convened in public session on August 24, 2018, at 1:00 p.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, Morris Sorbello, Gary T. Toth and Barry Trimble

ABSENT: Donald H. Kunzwiler and H. Leonard Schick

ALSO PRESENT: Kevin C. Caraccioli, David S. Dano, Jim Mason, Kevin LaMontagne, David Turner, L. Michael Treadwell and Bob Wilmott

The following resolution was duly offered and seconded:

RESOLUTION CLASSIFYING A CERTAIN PROJECT AS A TYPE I ACTION PURSUANT TO THE STATE ENVIRONMENTAL QUALITY REVIEW ACT AND DETERMINING THAT THE PROJECT WILL NOT HAVE A SIGNIFICANT ADVERSE 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, installing and equipping of one or more “projects” (as defined in the Act); and

WHEREAS, Howland Solar LLC, a Delaware limited liability company (the “*Company*”), submitted an application to the Agency on or about March 14, 2018 (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 (or sub-leasehold interest) in approximately 20 acres of real property located at 5930 South Main Street, Village of Sandy Creek, State of New York (the “*Land*”); (ii) the construction of approximately 18 acres of solar panels (the “*Facility*”); and (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 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 and State and local sales and use tax (collectively, the “*Financial Assistance*”); and (C) the lease (or sub-lease) of the Project Facility by the Company to 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 Sandy Creek Regional Planning Board (“*Planning Board*”) previously classified the Project as a Type I action under SEQRA and declared its intent to act as lead agency for the purpose of conducting a coordinated environmental review of the Project; and

WHEREAS, after conducting a thorough review of the Project and its potential effects, the Planning Board determined that the Project would not result in any significant adverse environmental impacts and issued a negative declaration for the Project on August 1, 2017; and

WHEREAS, the Agency’s involvement in the Project was not contemplated when the Planning Board performed the coordinated SEQRA review and issued the negative declaration for the Project; and

WHEREAS, had the Agency’s involvement been known at the time the Planning Board declared its intent to act as lead agency for the coordinated review of the Project, the Agency would have, as an involved agency, consented to the Planning Board’s lead agency designation and been bound by the negative declaration that was issued for the Project; 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:

Section 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** clause of this resolution;

(b) The Project constitutes a “Type I” (as said quoted term is defined in SEQRA) as determined by the Planning Board;

(c) The Agency, in recognition of the fact that it would have been an involved agency and consented to the Planning Board’s lead agency status, hereby reaffirms, accepts and adopts the negative declaration that was issued by the Planning Board for the Project, 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.

Section 2. 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 3. 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			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 August 24, 2018, with the original thereof on file in my office, and (ii) 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 August 24, 2018.

L. Michael Treadwell
Chief Executive Officer

(SEAL)

EXHIBIT "A"
NEGATIVE DECLARATION

Site Plan and Environmental Negative Declaration

The ENB SEQRA Notice Publication Form - Please check all that apply

Reset Form

Deadline: Notices must be received by 6 p.m. Wednesday to appear in the following Wednesday's ENB

- Negative Declaration - Type I
- Conditioned Negative Declaration
- Draft Negative Declaration
- Positive Declaration
- with Public Scoping Session
- Draft EIS
- with Public Hearing
- Generic
- Supplemental
- Final EIS
- Generic
- Supplemental

DEC Region # 7 County: Oswego Lead Agency: Sandy Creek Regional Planning Board

Project Title: Howland Solar LLC

Brief Project Description: The action involves . . .

Two MW Community Solar Energy Facility to use approximately 20 acres of a 43.44 acre parcel located at 5930 S. Main Street in the Village of Sandy Creek, New York. Rows of photovoltaic cell panels will be mounted on posts set in the ground. The anticipated power output is approximately 3.6 million kilowatt hours annually, enough to power approximately 500 single family homes. The project will operate under the Community Distributed Generation Project as established by the New York State Public Service Commission.

Project Location (include street address/municipality): 5930 S. Main Street, Sandy Creek, NY 13145

Contact Person: Patricia McCullough

Address: PO Box 58 City: Sandy Creek State: NY Zip: 13145

Phone: 315 387-3272 Fax: 315 387-5782 E-mail: pattym13145@yahoo.co

For Draft Negative Declaration / Draft EIS: Public Comment Period ends: ___ / ___ / ___

For Public Hearing or Scoping Session: Date: ___ / ___ / ___ Time: ___ : ___ am/pm

Location: _____

A hard copy of the DEIS/FEIS is available at the following locations:

The online version of the DEIS/FEIS is available at the following publically accessible web site:

For Conditioned Negative Declaration: In summary, conditions include:

Full Environmental Assessment Form
Part 3 - Evaluation of the Magnitude and Importance of Project Impacts
and
Determination of Significance

Part 3 provides the reasons in support of the determination of significance. The lead agency must complete Part 3 for every question in Part 2 where the impact has been identified as potentially moderate to large or where there is a need to explain why a particular element of the proposed action will not, or may, result in a significant adverse environmental impact.

Based on the analysis in Part 3, the lead agency must decide whether to require an environmental impact statement to further assess the proposed action or whether available information is sufficient for the lead agency to conclude that the proposed action will not have a significant adverse environmental impact. By completing the certification on the next page, the lead agency can complete its determination of significance.

Reasons Supporting This Determination:

To complete this section:

- Identify the impact based on the Part 2 responses and describe its magnitude. Magnitude considers factors such as severity, size or extent of an impact.
- Assess the importance of the impact. Importance relates to the geographic scope, duration, probability of the impact occurring, number of people affected by the impact and any additional environmental consequences if the impact were to occur.
- The assessment should take into consideration any design element or project changes.
- Repeat this process for each Part 2 question where the impact has been identified as potentially moderate to large or where there is a need to explain why a particular element of the proposed action will not, or may, result in a significant adverse environmental impact.
- Provide the reason(s) why the impact may, or will not, result in a significant adverse environmental impact.
- For Conditional Negative Declarations identify the specific condition(s) imposed that will modify the proposed action so that no significant adverse environmental impacts will result.
- Attach additional sheets, as needed.

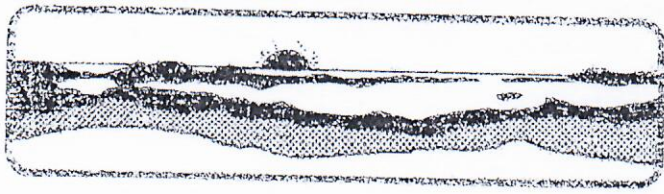
Impact on Land

While Howland Solar, LLC will involve construction on land, in contrast to more traditional construction of buildings and other structures which require permanent solid foundations and which might otherwise be developed on the site, the installation of solar panels is far less impactful since the panels will be installed above the surface of the land on support posts which are capable of being removed in the future. Further, by installing the panels above the ground on such posts, almost all of the ground underneath the panels will be left as natural, permeable vegetated lands. In fact, the entire project will result in the development of only .85 acres of impervious lands. Moreover only 1.18 acres of trees will be removed from the approximate 30 acre site to accommodate the project, preserving the great majority of mature trees on site and the associated wildlife living in such forestland. The site to be developed contains no steep slopes, requires no excavation and has a construction time table that is less than four months. As a result, the magnitude and/or importance of this potential impact is so small, limited and remote that it will not result in a potentially significant adverse environmental impact.

Determination of Significance - Type 1 and Unlisted Actions

SEQR Status: Type 1 Unlisted

Identify portions of EAF completed for this Project: Part 1 Part 2 Part 3



Reasons Supporting This Determination - continued

Impacts on Surface Water

Cypress Creek Renewables' consultant performed a comprehensive wetland and waterbody study at the project site in order to ensure the protection of any identified wetlands. While wetlands have been identified at the site, the project has been designed to avoid disturbing any and all wetlands and to respect and comply with all buffers required as a result of such wetlands. The drainage pond associated with the development of the project will be minimal in size and will be constructed of typical materials including earth fill, rock and concrete. The drainage pond will be utilized to collect and treat the minimal storm water at the site and will therefore have a net positive environmental impact (again, by way of controlling and treating storm water). A full SWPPP will be submitted with the project, specifying construction and post construction erosion control measures, further guarding against any potential surface water and erosion issues. No surface water flows are expected to be altered in connection with this project. Finally, it is again notable that despite the fact that the project will span more than 15.5 acres of the site, only .85 acres of the approximately 30 acre site (2.8%) will be converted to impervious lands, further protecting against creating additional runoff. As a result of all of the above, the magnitude and/or importance of this hypothetical impact is so small, limited and remote that it will not result in a potentially significant adverse environmental impact.

Impact on Agricultural Resources

While the site does contain classified soils, the site is not currently being farmed. Thus, the development of the project on the site will not have the result of reducing farming activities. Importantly, the potential future conversion of the site from a solar use to farmland is an option that would not be available were the site to be developed with buildings, since the development of buildings and other permanent structures is not generally reversible. In contrast, a decommissioning plan has been submitted with the project, demonstrating that since the project will be developed by installing solar panels above the ground on posts that may be removed, the project may be decommissioned and the site restored to vacant land available for farming. As a result, the magnitude and/or importance of this hypothetical impact is so small, limited and remote that it will not result in a potentially significant adverse environmental impact.

Determination of Significance - Type 1 and Unlisted Actions

SEQR Status: Type 1 Unlisted

Identify portions of EAF completed for this Project: Part 1 Part 2 Part 3

Upon review of the information recorded on this EAF, as noted, plus this additional support information

and considering both the magnitude and importance of each identified potential impact, it is the conclusion of the SANDY CREEK REGIONAL PLANNING BOARD as lead agency that:

A. This project will result in no significant adverse impacts on the environment, and, therefore, an environmental impact statement need not be prepared. Accordingly, this negative declaration is issued.

B. Although this project could have a significant adverse impact on the environment, that impact will be avoided or substantially mitigated because of the following conditions which will be required by the lead agency:

There will, therefore, be no significant adverse impacts from the project as conditioned, and, therefore, this conditioned negative declaration is issued. A conditioned negative declaration may be used only for UNLISTED actions (see 6 NYCRR 617.d).

C. This Project may result in one or more significant adverse impacts on the environment, and an environmental impact statement must be prepared to further assess the impact(s) and possible mitigation and to explore alternatives to avoid or reduce those impacts. Accordingly, this positive declaration is issued.

Name of Action: HOWLAND SOLAR, LLC

Name of Lead Agency: SANDY CREEK REGIONAL PLANNING BOARD

Name of Responsible Officer in Lead Agency: SHIRLEY A. RICE

Title of Responsible Officer: CHAIR

Signature of Responsible Officer in Lead Agency: Shirley A Rice

Date: 8/1/17

Signature of Preparer (if different from Responsible Officer): Patricia McCullough

Date: 8/1/17

For Further Information:

Contact Person: PATRICIA McCULLOUGH

Address: PO BOX 58 SANDY CREEK, NY 13145

Telephone Number: 315 387-3272

E-mail: patlym13145@yahoo.com

For Type 1 Actions and Conditioned Negative Declarations, a copy of this Notice is sent to:

Chief Executive Officer of the political subdivision in which the action will be principally located (e.g., Town / City / Village of)

Other involved agencies (if any)

Applicant (if any)

Environmental Notice Bulletin: _____

INDUCEMENT RESOLUTION

A regular meeting of the County of Oswego Industrial Development Agency was convened in public session on August 24, 2018, at 1:00 p.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, Morris Sorbello, Gary T. Toth and Barry Trimble

ABSENT: Donald Kunzwiler and H. Leonard Schick

ALSO PRESENT: Kevin C. Caraccioli, David S. Dano, Jim Mason, Kevin LaMontagne, David Turner, L. Michael Treadwell and Bob Wilmott

The following resolution was duly offered and seconded:

RESOLUTION UNDERTAKING THE ACQUISITION, CONSTRUCTION, INSTALLATION, EQUIPPING AND COMPLETION OF A CERTAIN PROJECT, APPOINTING THE COMPANY AS AGENT OF THE AGENCY FOR THE PURPOSE OF THE ACQUISITION, CONSTRUCTION, INSTALLATION, 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, installing and equipping of one or more “projects” (as defined in the Act); and

WHEREAS, Howland Solar LLC, a Delaware limited liability company (the “*Company*”), submitted an application to the Agency on or about June 28, 2018 (the “*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 (or sub-leasehold interest) in approximately 20 acres of real property located at 5930 South Main Street, Village of Sandy Creek, State of New York (the “*Land*”); (ii) the construction of approximately 18 acres of solar panels (the “*Facility*”); and (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 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 and State and local sales and use tax (collectively, the “*Financial Assistance*”); and (C) the lease (or sub-lease) of the Project Facility by the Company to 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 July 24, 2018 describing the Project, the Financial Assistance and authorizing a public hearing (the “*Initial Resolution*”); and

WHEREAS, the Agency conducted a public hearing with respect to the Project and the proposed Financial Assistance on August 17, 2018 pursuant to Section 859-a of the Act, notice of which was published on August 5, 2018 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 August 8, 2018; 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 Sandy Creek Regional Planning Board (the “*Planning Board*”) classified the Project as a Type I action, conducted a coordinated environmental review of the Project, and issued a negative declaration for the Project on August 1, 2017; and

WHEREAS, the Agency’s involvement in the Project was not contemplated when the Planning Board performed the coordinated SEQRA review and issued the negative declaration for the Project; and

WHEREAS, the Agency, in recognition of the fact that, had the Agency’s involvement in the Project been contemplated it would have been an involved agency and consented to the Planning Board’s lead agency status, by resolution dated August 24, 2018, affirmed and adopted

the negative declaration issued by the Planning Board for the Project, thereby concluding the Agency's obligations under SEQRA (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 Village of Sandy Creek, 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 the health, general prosperity and economic welfare of the people of the State; 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 Resolution and its SEQRA Resolution.
- 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 Village of Sandy Creek, County of Oswego. The Financial Assistance consists solely of exemptions from real property taxes and State and local sales and use tax.
- d. The commitment of the Agency to provide the Financial Assistance to the Company will enable the Company to acquire, construct, install, equip and complete the Project Facility.
- e. The construction, installation, equipping and completion of the Project will promote employment opportunities, help prevent economic deterioration 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 construction, installation, equipping and completion of the Project will be an inducement to the Company to construct, install, equip and complete the Project Facility in the Village of Sandy Creek, 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 the financing the costs of the acquisition, construction, installation, 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 terms of this Resolution, the conditions set forth in Section 4.02 of the Agreement (hereinafter defined), the Agency's approval of the PILOT schedule and the execution and delivery of the Project Agreement (as defined herein), the Agency will: (i) acquire a controlling interest in the Project Facility pursuant to a lease agreement (and/or sublease agreement (collectively, the "***Company Lease***") to be entered into between the Company (and/or the owner of the Land) and the Agency and accept an interest in the Equipment pursuant to a bill of sale from the Company (the "***Bill of Sale***"); (ii) sublease the Project Facility to the Company (and/or the owner of the Land) 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***"); and (iii) grant the approved Financial Assistance.

Section 4. 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 **\$200,000**.

Section 5. 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 construction, installation, 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 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 6. As a condition precedent 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 (as defined herein) 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 Deficit (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 7. Subject to the due execution and delivery by the Company of the Agreement and the Project Agreement, 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 hereby appointed the true and lawful agent of the Agency to proceed with the construction, installation, 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 shall not be effective until the Agreement and the Project Agreement referred to herein, and an environmental compliance and indemnification agreement by the Company in favor of the Agency have been duly executed and delivered by the Company.

Section 8. The Chief Executive Officer and/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			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 August 24, 2018, with the original thereof on file in my office, and (ii) 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 August 24, 2018.

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 **HOWLAND SOLAR 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 constructing, installing 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 June 28, 2018 (the "**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 (or sub-leasehold interest) in approximately 20 acres of real property located at 5930 South Main Street, Village of Sandy Creek, State of New York (the "**Land**"); (ii) the construction of approximately 18 acres of solar panels (the "**Facility**"); and (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 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 and State and local sales and use tax (collectively, the "**Financial Assistance**"); and (C) the lease (or sub-lease) of the Project Facility by the Company to 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 construction, installing, 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, install, 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 of a controlling interest in, and the construction, installing 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 August 24, 2018, the Agency adopted a resolution (the “*Inducement Resolution*”) agreeing, subject to the satisfaction of all conditions precedent set forth in such Resolution, to designate the Company as the Agency’s agent for the acquisition, construction, installing, 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 **\$200,000**.

1.07 In the Resolution, subject to the execution of, and compliance with, this Agreement by the Company, and other conditions set forth in the Resolution and herein, the Agency appointed the Company as its agent for the purposes of construction, installation, equipping and completion of the Project Facility, entering into contracts and doing all things requisite and proper for construction, installing 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, installing, 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 construction, installation, 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 construction, installation, 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 construction, installation, 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 construction, installation, 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, construction, installation, 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, construction, installation, 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 Village of Sandy Creek, County of Oswego and any other governmental authority which approvals, permits and consents are required under applicable law for the development, construction of the Project and any related site improvements. The Company acknowledges and agrees that the Agency's findings and determinations under SEQRA do not and shall not in and of themselves (except as specifically set forth in SEQRA) satisfy or be deemed to satisfy applicable laws, regulations, rules and procedural requirements applicable to such approvals, permits and consents.

3.02. The Company agrees that, as agent for the Agency or otherwise, it will comply at the Company's sole cost and expense with all the requirements of all federal, state and local laws, rules and regulations of whatever kind and howsoever denominated applicable to the Agency and/or Company with respect to the Project Facility, the acquisition of a controlling interest therein, construction, installation 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. (a) 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.

(b) 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, construction, installation, 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 Company is subject to recapture of all State sales and use tax exemption benefits (the "**Recapture Amount**") if:

- (1) the Company or its Subagents, if any, authorized to make purchases for the benefit of the Project are not entitled to the State sales and use tax exemption benefits; or
- (2) the State sales and use tax exemption benefits are in excess of the amounts authorized by the Agency to be taken by the Company or its subagents, if any; or
- (3) the State sales and use tax exemption benefits are for property or services not authorized by the Agency as part of the Project; or
- (4) the Project has failed to comply with a material term or condition to use the property or services in the manner required by any project documents between the Company and the Agency.

The failure of the Company to promptly pay such Recapture Amount to the Agency will be grounds for the Commissioner to collect sales and use taxes from the Company under Article 28 of the State Tax Law, together with interest and penalties.

In addition, and in accordance with the Agency's Recapture Policy, the Agency may recapture all other Financial Assistance in the event any of the foregoing occur or there is a Deficit (as defined in the Agency's Recapture Policy). For purposes of the foregoing, the Company acknowledges and agrees that for purposes of exemption from New York State (the "**State**") sales and use taxation as part of the Financial Assistance requested, "sales and use taxation" shall mean sales and compensating use taxes and fees imposed by article twenty-eight or twenty-eight-A of the New York State tax law but excluding such taxes imposed in a city by section eleven hundred seven or eleven hundred eight of such article twenty-eight.

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

4.04. If for any reason the Lease Documents are not executed and delivered by the Company and the Agency on or before eighteen (18) months from the execution hereof, the

provisions of this Agreement (other than the provisions of Articles 1.04, 2.02, 2.04, 3.01, 3.02, 3.03, 3.05, 3.06, 4.02, 4.03, 4.04, 4.05 and 4.06, which shall survive) shall unless extended by agreement of the Agency and the Company, terminate and be of no further force or effect, and following such termination neither party shall have any rights against the other party except:

(a) The Company shall pay the Agency for all expenses incurred by the Agency in connection with the acquisition, construction, installation 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 August 24, 2018.

**COUNTY OF OSWEGO INDUSTRIAL
DEVELOPMENT AGENCY**

By: _____
L. Michael Treadwell
Chief Executive Officer

HOWLAND SOLAR LLC

By: _____
Name:
Title:

PILOT RESOLUTION

A regular meeting of the County of Oswego Industrial Development Agency was convened in public session on August 24, 2018, at 1:00 p.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, Morris Sorbello, Gary T. Toth and Barry Trimble

ABSENT: Donald H. Kunzwiler and H. Leonard Schick

ALSO PRESENT: Kevin C. Caraccioli, David S. Dano, Jim Mason, Kevin LaMontagne, David Turner, L. Michael Treadwell and Bob Wilmott

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 grant “financial assistance” (as defined in the Act) in connection with the acquisition, construction, installing and equipping of one or more “projects” (as defined in the Act); and

WHEREAS, Howland Solar LLC, a Delaware limited liability company (the “**Company**”), submitted an application to the Agency on or about June 28, 2018 (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 (or sub-leasehold interest) in approximately 20 acres of real property located at 5930 South Main Street, Village of Sandy Creek, State of New York (the “**Land**”); (ii) the construction of approximately 18 acres of solar panels (the “**Facility**”); and (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 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 and State and local sales and use tax (collectively, the “**Financial Assistance**”); and (C) the lease (or sub-lease) of the Project Facility by the Company to 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 July 24, 2018 describing the Project, the Financial Assistance and authorizing a public hearing (the “**Initial Resolution**”); and

WHEREAS, the Agency conducted a public hearing with respect to the Project and the proposed Financial Assistance on August 17, 2018 pursuant to Section 859-a of the Act, notice of which was published on August 5, 2018 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 August 8, 2018; 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 Sandy Creek Regional Planning Board (the “**Planning Board**”) classified the Project as a Type I action, conducted a coordinated environmental review of the Project, and issued a negative declaration for the Project on August 1, 2017; and

WHEREAS, the Agency’s involvement in the Project was not contemplated when the Planning Board performed the coordinated SEQRA review and issued the negative declaration for the Project; and

WHEREAS, the Agency, in recognition of the fact that, had the Agency’s involvement in the Project been contemplated it would have been an involved agency and consented to the Planning Board’s lead agency status, by resolution dated August 24, 2018, affirmed and adopted the negative declaration issued by the Planning Board for the Project, thereby concluding the Agency’s obligations under SEQRA (the “**SEQRA Resolution**”); and

WHEREAS, on August 24, 2018 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 taxes agreement (the “**PILOT Agreement**”) with respect to the Project Facility pursuant to a payment in lieu of tax schedule (the “**PILOT Schedule**”), more fully described on **Exhibit “A”** attached hereto; and such schedule constitutes a deviation from the Agency’s Uniform Tax Exemption Policy (“**UTEP**”) established pursuant to Section 874(4) of the Act, but comports with other payment in lieu of taxes schedules relative to other similar projects; and

WHEREAS, by letters dated August 8, 2018, the Agency gave to the chief executive officers of the affected taxing jurisdictions notice pursuant to Section 874 of the Act of this meeting (the “**Notice**”), at which the Agency would consider the Company’s request for a PILOT schedule which deviates from the UTEP; 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 Village of Sandy Creek, 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 the health, general prosperity and economic welfare of the people of the State; 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. 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, 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 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			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 August 24, 2018, with the original thereof on file in my office, and (ii) 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 August 24, 2018.

L. Michael Treadwell
Chief Executive Officer

(SEAL)

EXHIBIT "A"

PILOT SCHEDULE

Term: 20 years

Annual payments: \$3,000/mw for the first year, escalating by 2% each year thereafter.

FINAL APPROVING RESOLUTION

A regular meeting of the County of Oswego Industrial Development Agency was convened in public session on August 24, 2018, at 1:00 p.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, Morris Sorbello, Gary T. Toth and Barry Trimble

ABSENT: Donald H. Kunzwiler and H. Leonard Schick

ALSO PRESENT: Kevin C. Caraccioli, David S. Dano, Jim Mason, Kevin LaMontagne, David Turner, L. Michael Treadwell and Bob Wilmott

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, installing and equipping of one or more “projects” (as defined in the Act); and

WHEREAS, Howland Solar LLC, a Delaware limited liability company (the “**Company**”), submitted an application to the Agency on or about June 28, 2018 (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 (or sub-leasehold interest) in approximately 20 acres of real property located at 5930 South Main Street, Village of Sandy Creek, State of New York (the “**Land**”); (ii) the construction of approximately 18 acres of solar panels (the “**Facility**”); and (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 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 and State and local sales and use tax (collectively, the “**Financial Assistance**”); and (C) the lease (or sub-lease) of the Project Facility by the Company to 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 conducted a public hearing with respect to the Project and the proposed Financial Assistance on August 17, 2018 pursuant to Section 859-a of the Act, notice of which was published on August 5, 2018 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 August 8, 2018; and

WHEREAS, the Agency adopted a resolution on July 24, 2018 (the “**Initial Resolution**”) entitled:

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

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

WHEREAS, 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 Sandy Creek Regional Planning Board (the “**Planning Board**”) classified the Project as a Type I action, conducted a coordinated environmental review of the Project, and issued a negative declaration for the Project on August 1, 2017; and

WHEREAS, the Agency’s involvement in the Project was not contemplated when the Planning Board performed the coordinated SEQRA review and issued the negative declaration for the Project; and

WHEREAS, the Agency, in recognition of the fact that, had the Agency’s involvement in the Project been contemplated it would have been an involved agency and consented to the Planning Board’s lead agency status, adopted resolution on August 24, 2018 (the “*SEQRA Resolution*”) entitled:

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

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

WHEREAS, the Agency adopted a resolution on August 24, 2018 (the “*Inducement Resolution*”) entitled:

RESOLUTION UNDERTAKING THE ACQUISITION, CONSTRUCTION, INSTALLATION, EQUIPPING AND COMPLETION OF A CERTAIN PROJECT, APPOINTING THE COMPANY AS AGENT OF THE AGENCY FOR THE PURPOSE OF THE ACQUISITION, CONSTRUCTION, INSTALLATION, 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, for purposes of exemption from New York 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; and

WHEREAS, the Agency has given due consideration to the Application and to representations by the Company that the provision of Financial Assistance: (i) will induce the Company to develop the Project Facility in the Village of Sandy Creek, 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 the health, general prosperity and economic welfare of the people of the State; and

WHEREAS, the Agency adopted a resolution on August 24, 2018 (the “*PILOT Resolution*”) entitled:

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

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

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

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

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

- a) Ratifies the findings in its Initial, SEQRA, Inducement and PILOT Resolutions.
- b) The granting of the Financial Assistance will be an inducement to the Company to develop the Project in the Village of Sandy Creek and County of Oswego. The Financial Assistance consists solely of exemptions from real property taxes and State and local sales and use tax.
- c) The commitment of the Agency to provide the Financial Assistance to the Company will enable the Company to acquire, construct, install, equip and complete the Project Facility.
- d) The construction, installation, equipping and completion of the Project will promote employment opportunities, help prevent economic deterioration and advance the health, general prosperity and economic welfare of the people of the State.
- e) The acquisition of a controlling interest in the Project Facility by the Agency and the designation of the Company as the Agency’s agent for construction, installing, equipping and completion of the Project will be an inducement to

the Company to construct, install, equip and complete the Project Facility in the Village of Sandy Creek, 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 the financing the costs of the acquisition, construction, installation, equipping and completion 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 Inducement Resolution and the PILOT Resolution (collectively the “**Resolutions**”), the Agency will: (A) acquire a controlling interest in the Project Facility; (B) lease the Project Facility from the Company (and/or the owner of the Land) pursuant to a lease agreement between the Agency and the Company (and/or the owner of the Land) (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 (and/or the owner of the Land), 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, the Company Lease and all other documents executed in conjunction with the Project , the “**Lease Documents**”); and (C) 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			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 August 24, 2018, with the original thereof on file in my office, and (ii) 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 August 24, 2018.

L. Michael Treadwell
Chief Executive Officer

(SEAL)

**AMENDED AND RESTATED INTERMUNICIPAL AGREEMENT BY AND BETWEEN
THE TOWN OF VOLNEY, THE COUNTY OF OSWEGO,
THE CITY OF FULTON AND THE OSWEGO COUNTY IDA
REGARDING THE ROUTE 176/HOWARD ROAD WASTEWATER EXTENSION**

THIS AGREEMENT entered into this ____ day of August, 2018 by and between the **TOWN OF VOLNEY**, a municipal corporation by and of the state of New York with its principal offices for business located at 1445 County Route 6, Fulton, New York 13069; the **COUNTY OF OSWEGO**, a municipal corporation by and of the State of New York, with its principal offices for business located at the Legislative Office Building, 46 East Bridge Street, Oswego, New York; and the **CITY OF FULTON**, a municipal corporation by and of the State of New York with principal offices for business located at 141 South First Street, Fulton, New York 13069 and the **OSWEGO COUNTY INDUSTRIAL DEVELOPMENT AGENCY (COIDA)**, an industrial development agency authorized by and of the State of New York with principal offices for business located at 44 W. Bridge Street, Oswego, NY 13126.

WITNESSETH:

WHEREAS, the Town of Volney, the County of Oswego, the Oswego County IDA and the City of Fulton (hereinafter the "Municipalities") are desirous of reducing the number of individual septic systems which can affect groundwater quality and increasing economic development, which, in turn, will lead to increased revenues from sales taxes, sewer usage fees and ad valorem taxes; and

WHEREAS, the Town of Volney has heretofore formed a sewer district known as Sewer District 1 which presently exists only on paper; and

WHEREAS, the City of Fulton owns and operates a wastewater treatment plan with excess capacity at present and is contiguous to the Town of Volney; and

WHEREAS, the County of Oswego had considered constructing a sewer line for its own purposes running from the Oswego County Airport to the City of Fulton; and

WHEREAS, both the County and COIDA are desirous of promoting economic development at the Industrial Park adjacent to the Oswego County Airport and at the Oswego County Airport itself; and,

WHEREAS, the lack of municipal sewer connections hinders development in part due to the restrictions placed upon certain county lands in the Town of Volney under a USEPA/DEC Consent Decree entered in the US District Court for the Northern District of New York concerning the former Silk Road Landfill, a Superfund Site, owned by the county; and

WHEREAS, the County of Oswego has committed funds for the construction of a sewer district, to undertake engineering studies and a map plan, to attempt to secure funding from other sources and to perform other necessary work in relation thereto in the public interest; and

WHEREAS, the Municipalities and the IDA have reached an agreement regarding the payment and reimbursement of the costs incurred in these matters that is fair and equitable; and

WHEREAS, said arrangement promotes intermunicipal cooperation and shared services and is in the best interests of the respective municipalities and the COIDA; and

WHEREAS, said district, when constructed, will promote the public health and welfare as well as enhance economic development opportunities at the Oswego County Airport and the adjacent Industrial Park; and

WHEREAS, an intermunicipal agreement is both necessary and desirable,

NOW, THEREFORE, it is mutually agreed as follows:

RESPONSIBILITIES OF THE COUNTY OF OSWEGO:

1. Contingent upon the receipt of grant funding, the county will pay all direct costs for the map plan, engineering, land acquisition, and condemnation (as may be necessary) and the turnkey construction of the sewer district within one (1) year of the receipt of said funds.
2. Contingent upon the receipt of grant funding and final approval by the county legislature, the county will publicly let and award all bids for the construction and engineering of Section #2 of the district.
3. Contingent upon the receipt of grant funding and approval of the legislature, the county will perform any necessary legal work once the district is created at no expense to the district, town, city or IDA for the land acquisition, condemnation, closings, etc. necessary for the acquisition of district property.
4. The County of Oswego will connect its facilities to the district at no cost to the town, city or IDA.
5. While the county will be performing work for the benefit of the district, at no time will the County of Oswego own or operate the sewer district as said ownership will remain with the Town which shall operate and administer the Sewer District.

RESPONSIBILITIES OF THE TOWN OF VOLNEY:

1. The town agrees to permit the County of Oswego and COIDA to connect any of its facilities to the sewer district lines once the district is constructed and specifically to include the County Airport without cost for a period of twenty (20) years.
2. The town agrees to obtain and maintain any necessary permits and approvals for the sewer district as may be necessary for the town to own and operate the district.

3. The town accepts and agrees to own the lines, pumps, lift stations and mechanicals of the sewer district from the date of completion of construction and will establish an equitable agreement with the City of Fulton for any repairs or maintenance necessary (e.g. clogs, broken lift stations, etc) if not otherwise covered by warranty or performed by the town.
4. The town will defend and indemnify the sewer district if the district or town or district is sued in an Article 78 proceeding or in any other action or proceeding.
5. As a partial inducement for the county's construction and assistance hereunder in the formation of the district, the Town of Volney agrees not to assess any unit charges to the county for the district and agrees to exempt the County Airport for normal usage charges for a period of twenty years.
6. Contingent upon the receipt of a \$500,000 grant award from the Northern Border Regional Commission (NBRC18GNY03), the town agrees to reimburse the County an amount not to exceed \$491,000 for expenses related to the construction of Section #2 of Volney Sewer District #1; the balance of said award to be paid to the Central New York Regional Planning Board for grant administration.

RESPONSIBILITIES OF THE CITY OF FULTON:

1. The City of Fulton agrees to accept all sewage within the allowable limits of our Permit and our available capacity at rates consistent with pricing for such services at the time of final connection to Section # 2 of Volney Sewer District # 1.
2. Prior to the district becoming operational, the city agrees to obtain and maintain such other and further permits and approvals as may be necessary for the city to accommodate the additional sewage from the district at its own cost and expense.
3. Once constructed, the city will cooperate with the town regarding sewer district maintenance and related issues necessary for the proper operation of the district, at the town's request.

RESPONSIBILITIES OF THE OSWEGO COUNTY IDA

1. The Oswego County IDA agrees to reimburse the County an amount not to exceed \$250,000 for expenses related to the construction of Section #2 of Volney Sewer District #1 within one (1) year of the district's commencement date for operations.

ENTIRE AGREEMENT

This constitutes the entire and integrated agreement among the parties. This agreement may not be changed unless changed by written instrument signed by all parties. By the signatures below, each Municipality represents that the requisite approval has been obtained to enter into this payment arrangement.

WHEREFORE, we have set our hands and seals on the date and year first above written.

TOWN OF VOLNEY

By: _____ L.S.
Dennis Lockwood, Supervisor

COUNTY OF OSWEGO

By: _____ L.S.
Shane Broadwell, Chairman of the Legislature

CITY OF FULTON

By: _____ L.S.
Ronald L. Woodward, Sr., Mayor

OSWEGO COUNTY IDA

By: _____ L. S.
L. Michael Treadwell, Executive Director

INITIAL RESOLUTION

A regular meeting of the County of Oswego Industrial Development Agency was convened in public session on August 24, 2018, at 1:00 p.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, Morris Sorbello, Gary T. Toth and Barry Trimble

ABSENT: Donald H. Kunzwiler and H. Leonard Schick

ALSO PRESENT: Kevin C. Caraccioli, David S. Dano, Kevin LaMontagne 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 AND DESCRIBING THE FINANCIAL ASSISTANCE REQUESTED IN CONNECTION THEREWITH AND AUTHORIZING A PUBLIC HEARING

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

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

WHEREAS, Salmon River Solar, LLC, a Delaware limited liability company, or an entity to be formed, (the “**Company**”) submitted an application to the Agency on or about July 17, 2018 (“**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 (or sub-leasehold interest) in approximately 11 acres of real property located at 5923 South Main Street, Village of Sandy Creek, State of New York (the “**Land**”); (ii) the construction of approximately 11 acres of solar panels (the “**Facility**”); and (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 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 and State and local sales and use tax (collectively, the “**Financial Assistance**”); and (C) the lease (or sub-lease) of the Land and the Facility by the Company (and/or the owner of the Land) to 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 (and/or the owner of the Land) 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 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 Application and 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; and

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

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			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 August 24, 2018, 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 August 24, 2018.

L. Michael Treadwell
Chief Executive Officer

(SEAL)