

PILOT RESOLUTION

A regular meeting of the County of Oswego Industrial Development Agency was convened in public session on February 23, 2023, at 9:00 a.m. local time, 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: Marc Greco, H. Leonard Schick, Tim Stahl, Gary T. Toth, and Barry Trimble

ABSENT: Nick Canale, Jr. and Tricia Peter-Clark

ALSO PRESENT: Kevin C. Caraccioli, Kevin LaMontagne, and Austin Wheelock

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 TDJ PROPERTIES LLC

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

WHEREAS, TDJ Properties, LLC, a New York limited liability company (the “**Company**”), submitted an application to the Agency on or about October 31, 2022 (the “**Application**”), a copy of which is on file at the office of the Agency, requesting that the Agency consider undertaking a project (the “**Project**”) consisting of: (A) (i) the acquisition or continuation of a leasehold interest in all or a portion of approximately 67 acres of improved real property, being part of various parcels of certain real property located at 1850 County Route 57 in the Town of Volney, New York, Oswego County (the “**Land**”); (ii) the reconstruction and renovation of an existing building (the “**Existing Building**”) totaling approximately 786,600 square feet located on the Land (the Existing Building as reconstructed, the “**Facility**”) for the use as offices, manufacturing and warehousing space for businesses in the semi-conductor supply chain and other industries; and (iii) the acquisition of and installation in the Facility of various machinery, equipment, furnishings and other tangible personal property (the “**Equipment**”) (the Land, Facility and Equipment are hereinafter collectively referred to as the “**Project Facility**”); (B) the granting of certain financial assistance in the form of exemptions from real property taxes, real estate transfer taxes, mortgage recording taxes (except as limited by Section 874 of the Act) and State and local sales and use taxes (collectively, the “**Financial Assistance**”); (C) the appointment of the Company and/or its designee as an agent of the Agency in connection with the acquisition, reconstruction, renovation and equipping of the Project Facility; and (D) the lease of the Land and the Facility by the Company to the Agency pursuant to a lease agreement, the acquisition of an interest in the Equipment pursuant to a bill of sale; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement; and

WHEREAS, the Agency adopted a resolution on November 29, 2022 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 January 23, 2023 pursuant to Section 859-a of the Act, notice of which was published on January 12, 2023 in The Post-Standard, a newspaper of general circulation in the Town of Volney and given to the chief executive officers of the affected tax jurisdictions by letter dated January 10, 2023; and

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

WHEREAS, on November 29, 2022, the Agency adopted a resolution classifying the Project as a Type 1 Action and declaring the intent of the Agency to be lead agency for purposes of a coordinated review pursuant to SEQRA (the “**Lead Agency Resolution**”); and

WHEREAS, on February 23, 2023 the Agency adopted a Resolution (the “**Inducement Resolution**”) agreeing to undertake the Project and appointing the Companies as its agents for purposes of completing the Project Facility; and

WHEREAS, on February 23, 2023, the Agency adopted a resolution classifying the Project as a Type 1 action under SEQRA and determining that the Project will not result in a significant adverse effect on the environment and issued a negative declaration for the Project (the “*SEQRA Resolution*”); 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 February 13, 2023, the Agency gave to the chief executive officers of the affected taxing jurisdictions notice pursuant to Section 874 of the Act of this meeting at which the Agency would consider the Companies’ request for a PILOT schedule which deviates from the UTEP; and

WHEREAS, prior to the date hereof, the Agency responded to all communications and correspondence received from the affected taxing jurisdictions regarding the proposed deviation from the UTEP; and

WHEREAS, no representatives from the affected tax jurisdictions were present at this meeting to address the Agency regarding such proposed deviation 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 Town of Volney, County of Oswego (ii) will not result in the removal of a commercial, industrial or manufacturing plant or facility of the Company or any other proposed occupant of the Project Facility from one area of the State to another area of the State or in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Project Facility located in the State, except as may be permitted by the Act; and (iii) the Project will serve the purposes of the Act by advancing job opportunities, the health, general prosperity and economic welfare of the people of the State and the County of Oswego and improve their standard of living.

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

Section 1. It is the policy of the State to promote the 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 adopted in connection with this proposed Project (collectively, the “*Resolutions*”).

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 on **Exhibit “A”** attached hereto, the PILOT Schedule is hereby approved subject to the terms and conditions of the Resolutions. The Chief Executive Officer and/or the (Vice) Chairperson of the Board are each 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 and/or the (Vice) Chairperson of the Board upon advice of counsel. Notwithstanding anything herein to the contrary, no Financial Assistance (other than temporary sales and use tax exemptions benefits) shall be granted to the Company until the Company has provided to the Agency written evidence that it has received all approvals required from the Town in order to commence the renovation and reconstruction of the Project Facility; provided, however, that the Company shall not utilize any sales and use tax exemption benefits to commence the renovation and reconstruction of the Project Facility in advance of the receipt of required Town approvals.

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

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

Section 6. The Chief Executive Officer and/or the (Vice) Chairperson of the Board are each 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	
Tricia Peter-Clark				X	
Marc Greco	X				
Tim Stahl	X				
H. Leonard Schick	X				
Gary T. Toth	X				
Barry Trimble	X				

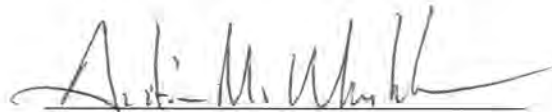
The resolution was thereupon declared duly adopted.

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 February 23, 2023, 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 Article 7 of the Public Officers Law (the “*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 Open Meetings Law, (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 February 23, 2023.



Austin Wheelock
Chief Executive Officer

(SEAL)

EXHIBIT "A"

PILOT SCHEDULE

Term: 20 Years

Annual payments: Fixed amount per year based on the following schedule:

<u>Years</u>	<u>Fixed Amount Per Year</u>
1-5	\$125,000
6-10	165,000
11-12	185,000
13-14	205,000
15-16	215,000
17-18	235,000
19-20	255,000

Distribution of annual PILOT Payments will be based on the pro-rata share of each of the taxing authorities for each respective year.