

PILOT RESOLUTION

A regular meeting of the County of Oswego Industrial Development Agency (the “*Agency*”) was convened in public session on July 18, 2024, at 8:30 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: Nick Canale, Patrick Carroll, Mary Ellen Chesbro, Marc Greco, Tricia Peter-Clark and Tim Stahl

ABSENT: Garry Stanard

ALSO PRESENT: Kevin Caraccioli, Nathan Emmons, 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 THE REAL ESTATE HOLDING COMPANY AND THE OPERATING COMPANY

WHEREAS, 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, Shatrau River Glen Holdings, LLC, a New York limited liability company (the “*Real Estate Holding Company*”) and N.E.T. & Die, Inc., a New York corporation (the

“**Operating Company**”, and together with the Real Estate Holding Company, the “**Companies**”, on behalf of themselves and/or entities formed or to be formed on behalf of the foregoing, have submitted an application to the Agency on or about June 14, 2024 (“**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)(1) the acquisition of a leasehold interest in an approximately 7.14 acres portion of the approximately 22.08 acres parcel of improved real property located at 13-41 River Glen Drive (consisting of all or a portion of the current Tax ID No. 253.43-01-14) in the City of Fulton, County of Oswego, New York (the “**Land**”) and the renovation of an existing approximately 92,000 square foot building located on the Land (the “**Facility**”); (2) the acquisition and installation in and around the Facility and/or for use in connection with the Project of various fixtures, machinery, equipment and other tangible personal property (collectively, the “**Facility Equipment**”) (the Land, the Facility and the Facility Equipment being collectively referred to as the “**Company Facility**”), which Company Facility is to be leased and subleased by the Agency to the Real Estate Holding Company and further subleased by the Real Estate Holding Company to the Operating Company; and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property (collectively, the “**Equipment**” and, together with the Company Facility, the “**Project Facility**”), such Project Facility to be used for the manufacturing, warehousing and distribution of custom machinery; (B) the granting of certain financial assistance in the form of exemptions from real property taxes, real estate transfer taxes, mortgage recording tax (except as limited by Section 874 of the Act) and State and local sales and use tax (collectively, the “**Financial Assistance**”); (C) the appointment of the Companies and/or their designees as agents of the Agency in connection with the acquisition, renovation, and equipping of the Project Facility; and (D) the lease (or sub-lease) of the Land and the Facility by the Real Estate Holding Company to the Agency pursuant to a lease agreement; the acquisition by the Agency of an interest in the Facility Equipment and the Equipment pursuant to one or more bills of sale from the Companies; the sublease of the Project Facility back to the Companies; and

WHEREAS, the Agency adopted a resolution on June 27, 2024 describing the Project, the Financial Assistance and authorizing a public hearing (the “**Initial Resolution**”); and

WHEREAS, in accordance with the requirements of Section 859-a of the Act, written notice of the public hearing with respect to the project (the “**Public Hearing**”) and a copy of the Initial Resolution were distributed on July 2, 2024 by the Agency by certified mail, return receipt requested, to the chief executive officer of each affected local taxing jurisdiction, including the school board and district superintendent of the Fulton City School District; and

WHEREAS, the Agency conducted the Public Hearing with respect to the Project and the proposed Financial Assistance on July 17, 2024 pursuant to Section 859-a of the Act, notice of which was published on July 2, 2024 in The Post-Standard, a newspaper of general circulation in the City of Fulton and County of Oswego, New York, and given to the chief executive officers of the affected tax jurisdictions, including the school board and district superintendent of the Fulton City School District by letter dated July 2, 2024; 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 has examined the EAF prepared on behalf of the Companies in order to classify the Project and has determined that the Project constitutes a “Type II” action as that term is defined under SEQRA, and therefore no further review is required; and

WHEREAS, on July 18, 2024 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, in the Application, the Companies 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 is in accordance with the Agency’s Uniform Tax Exemption Policy (“**UTEP**”); and

WHEREAS, the Agency has given due consideration to the Application and to the representations by the Companies that the provision of Financial Assistance: (i) will induce the Companies to develop the Project Facility in the City of Fulton, County of Oswego; (ii) will not result in the removal of a commercial, industrial or manufacturing plant or facility of the Real Estate Holding Company or the Operating 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 Real Estate Holding Company, the Operating 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 Companies to the Agency, and the reasons presented by the Companies 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 Agency 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 Agency upon advice of counsel.

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

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

Section 6. The Chief Executive Officer and/or the (Vice) Chairperson of the Agency are each hereby authorized and directed to distribute copies of this Resolution to the Companies 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 Companies 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>ABSENT</u>	<u>ABSTAIN</u>
Nick Canale, Jr.	X			
Pat Carroll	X			
Mary Ellen Chesbro	X			
Marc Greco	X			
Tricia Peter-Clark	X			
Gary Stanard			X	
Tim Stahl	X			

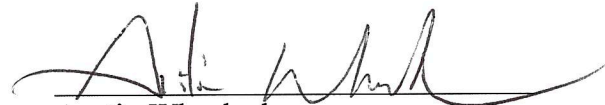
The resolution was thereupon declared duly adopted.

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 July 18, 2024, 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 July 18, 2024.



Austin Wheelock
Chief Executive Officer

(SEAL)

EXHIBIT "A"
PILOT SCHEDULE

Mfg. UTEP: 20 Years

The UTEP Exemption Schedule on the increase in the annual assessed value of the Project Facility over the Base Assessed Value.

<u>Year</u>	<u>Amount of Annual Exemption</u>
1	75%
2	75%
3	75%
4	75%
5	75%
6	60%
7	60%
8	60%
9	60%
10	60%
11	50%
12	50%
13	40%
14	40%
15	30%
16	30%
17	20%
18	20%
19	10%
20	10%
21	No Exemption

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