

MINUTES
COUNTY OF OSWEGO INDUSTRIAL DEVELOPMENT AGENCY
March 25, 2020
Virtually Recorded Open Conference Call
Oswego County, NY

PRESENT: Canale, Schick, Sorbello, Stahl, Trimble and Toth

Absent/Excused: Kells

Also Present: Kevin C. Caraccioli, Kevin LaMontagne, Austin Wheelock, Teresa Woolson, L. Michael Treadwell and David Turner.

Kevin LaMontagne noted the recording has begun. Chair Toth called the meeting to order at 9:05 a.m. with those present introducing themselves.

APPROVAL OF MINUTES

On a motion by Mr. Sorbello, seconded by Mr. Trimble, the minutes of the February 27, 2020 meeting were approved.

TREASURER'S REPORT

On a motion by Mr. Schick, seconded by Mr. Stahl, the Financial Statements for the periods ended November 30, 2019 and December 31, 2019 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 March 12, 2020.

Executive Session

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. Trimble, seconded by Mr. Sorbello it was approved to go into Executive Session at 9:09 a.m.

On a motion by Mr. Sorbello, seconded by Mr. Canale, the Executive Session ended at 10:08 a.m.

Lock 7 Apartments, DePaul Low Income Housing Project, City of Oswego

Following a review of the Application for Financial Assistance, on a motion by Mr. Canale, seconded by Mr. Sorbello, a resolution was approved determining that the acquisition, construction and equipping of a certain facility at the request of DePaul Properties, Inc. 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.

Litatro Building, LLC

Following discussion in Executive Session, on a motion by Mr. Trimble, seconded by Mr. Canale, it was approved to concur with the refinancing and authorize the execution of mortgage documents with Pathfinder Bank.

Delinquent Loan Report

On a motion by Mr. Schick, seconded by Mr. Sorbello, the Delinquent Loan Report for the period ending February 29, 2020 was approved.

Wastewater Authority

Mr. Caraccioli reported that in light of the pandemic, there is no update.

Economic Development Web Portal

Mr. Wheelock reported that Evelyn LiVoti was working with him on this and a presentation was being prepared. Next step would be a meeting with the partners, hopefully in person. Mr. Sorbello noted that the new Mayor would like to meet with the Board.

Manufacturing Start-Up Facility

Mr. Wheelock reported that Site Plan approval is pending, discussions are positive. Looking for funding for infrastructure for the road with possible re-allocation of the Northern Borders Grant for the City of Fulton to the IDA.

Solar Development Tax Exemption Policy

Following a lengthy discussion, it was agreed that the Solar Development Tax Exemption Policy would include certain requirements for future solar development PILOT agreements approved by the Agency. These requirements include the following: 1) Payment in lieu of taxes shall be established at \$5,000 per Megawatt; 2) Each year of the payment schedule will include a two percent (2%) escalator on the prior year's payment, compounding annually; 3) The term of the payment shall be no more than twenty (20) years in length; 4) The PILOT Agreement shall only apply to the acreage developed into a solar farm; the balance of the land not used for the solar farm will be classified as taxable (the Agency will accept proof of subdivision or an administrative split of the property by the local assessor); and, 5) The developer must provide the Agency with proof that it has entered into a decommissioning fund or bond with the local municipality sufficient to remove the solar arrays at the end of the project without cost to the local municipality.

Mr. Caraccioli will draft a policy for the Board's review and consideration of approval.

Salmon River Solar, LLC

On a motion by Mr. Canale, seconded by Mr. Stahl, a resolution was approved consenting to the sale of controlling interest in the company. A resolution is attached and made an official part of the minutes.

The Maples Assisted Living Facility, LLC

Following a review of the Application, Cost/Benefit Analysis, and public hearing minutes, which are all on file at the Agency, on a motion by Mr. Canale, seconded by Mr. Trimble, the loan was approved with payments to start on January 1, 2021, and interest accruing from closing date.

Emergency Meetings March 21, 2020

Mr. LaMontagne gave information and details about the actions taken at the emergency meeting in regard to IDA Loan deferments, the new Emergency Loan Fund, with IDA PILOT Funds in the amount of \$500,000 administered by OOC. Information on the programs has been distributed and placed on the IDA website.

Next Meeting

April 28, 2020 at 9:00 a.m. was scheduled.

Adjournment

On a motion by Mr. Canale, seconded by Mr. Stahl, the meeting was adjourned at 11:47 p.m.

Respectfully Submitted,

H. Leonard Schick
Secretary

INITIAL RESOLUTION

A regular meeting of the County of Oswego Industrial Development Agency was convened in public session on March 25, 2020, at 9:00 a.m., at 44 West Bridge Street, Oswego, New York.

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

PRESENT: Nick Canale, Jr., H. Leonard Schick, Morris Sorbello, Tim Stahl, Gary T. Toth and Barry Trimble

ABSENT: Tom Kells

ALSO PRESENT: Kevin Caraccioli, Kevin LaMontagne, L. Michael Treadwell, David Turner, Austin Wheelock and Teresa Woolson

The following resolution was duly offered and seconded:

RESOLUTION DETERMINING THAT THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF A MULT-FAMILY RESIDENTIAL RENTAL UNIT PROJECT 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, DePaul Properties, Inc., a New York corporation, on behalf of itself and/or entities formed or to be formed on behalf of the foregoing (the “**Company**”), submitted an application to the Agency on or about March 2, 2020 (“**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 real property located at 220 East First Street (current tax map no. 128.63-04-04.01) in the City of Oswego, State of New York (the “**Land**”); (ii) the construction of an approximately 102,000 square foot four-story building containing approximately eighty (80) residential rental units, together with related amenities and improvements (collectively, the “**Facility**”); (iii) the acquisition and installation in and around the Facility and/or for use in connection with the Project of various machinery, equipment and furnishings (collectively the “**Equipment**”) (the Land, the Facility and Equipment are hereinafter collectively referred to as the “**Project Facility**”); (B) the granting of certain financial assistance in the form of exemptions from real property taxes, mortgage recording tax and State and local sales and use tax (collectively, the “**Financial Assistance**”); and (C) the lease of the Land and Facility by the Agency pursuant to a lease agreement; the acquisition by the Agency of an interest in the Equipment pursuant to a bill of sale from the Company; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement; and

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

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

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

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

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

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

(b) The Financial Assistance contemplated with respect to the Project consists of exemptions from real property tax, mortgage recording tax and State and local sales and use 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 and/or the Chairperson 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	
Tim Stahl	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, Chair 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 March 25, 2020, 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 March 25, 2020.

Gary Toth
Chair

(SEAL)

**RESOLUTION CONSENTING TO A CHANGE IN OWNERSHIP OF
MEMBERSHIP INTERESTS IN THE COMPANY**

A regular meeting of the County of Oswego Industrial Development Agency was convened in public session on March 25, 2020, at 9:00 a.m., at 44 West Bridge Street, Oswego, New York.

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

PRESENT: Nick Canale, Jr., H. Leonard Schick, Morris Sorbello, Tim Stahl, Gary T. Toth and Barry Trimble

ABSENT: Tom Kells

ALSO PRESENT: Kevin C. Caraccioli, Kevin LaMontagne, L. Michael Treadwell, David Turner, Austin Wheelock, Teresa Woolson

**RESOLUTION APPROVING THE SALE OF THE
MEMBERSHIP INTERESTS IN THE COMPANY IN
CONNECTION WITH FINANCIAL ASSISTANCE
PROVIDED FOR A PROJECT.**

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 (the “*Company*”), submitted its 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, in connection with the Project, the Agency adopted an Initial Resolution on August 24, 2018 and conducted the public hearing on October 19, 2018; and

WHEREAS, the Agency adopted a SEQRA Resolution, an Inducement Resolution, a PILOT Resolution and a Final Approving Resolution authorizing the Project at its October 30, 2018 meeting (collectively, the “*Approving Resolutions*”); and

WHEREAS, in order to consummate the Project and the granting of the Financial Assistance, the Agency entered into the following documents (hereinafter collectively referred to as the “Project Documents”): (A) a company lease agreement, dated as of February 1, 2020 (the “Company Lease”) by and between the Company and the Agency, pursuant to which, among other things, the Agency acquired a leasehold interest in the Land and the improvements now or hereafter located on the Land from the Company, (B) a memorandum of company lease agreement dated as of February 1, 2020 (the “Memorandum of Company Lease”), (C) a lease agreement dated as of February 1, 2020 (the “Lease Agreement”) by and between the Agency and the Company, pursuant to which, among other things, the Company agreed to undertake and complete the Project as agent of the Agency and the Company further agreed to lease the Project Facility from the Agency and, as rental thereunder, to pay the Agency’s administrative fee relating to the Project and to pay all expenses incurred by the Agency with respect to the Project, (D) a memorandum of lease agreement dated as of February 1, 2020 (the “Memorandum of Lease Agreement”), (E) a Project Agreement dated as of February 1, 2020 (the “Project Agreement”), which sets forth the terms and conditions under which Financial Assistance shall be provided to the Company, and (F) a payment in lieu of tax agreement dated as of February 1, 2020 by and between the Agency and the Company (the “PILOT Agreement”) whereby the Company agreed to make certain payments in lieu of real property taxes; and

WHEREAS, at the time the Company entered into the Company Documents, the Company’s sole member was Bullrock GPS, LLC (the “Original Membership Owner”); and

WHEREAS, on or about March 10, 2020, the Agency received notice from the Company that, pursuant to a certain letter of intent between the Original Membership Owner and GSPP Holdco, LLC (the “New Membership Owner”), the Original Membership Owner intends to sell and the New Membership Owner intends to purchase 100% of the membership interests in the Company; and

WHEREAS, the Company has submitted and the Agency has reviewed the organizational documents of the New Membership Owner and the Company has answered the Agency’s questions regarding the New Membership Owner and the impact of the change in ownership on the Project and

the Financial Assistance previously granted by the Agency to the Company; and

WHEREAS, pursuant to Section 9.2 of the Lease Agreement the Company has requested that the Agency consent to the change in the ownership of the membership interest in the Company which the Agency may do in its sole and absolute discretion; and

WHEREAS, the change in the ownership of the membership interest in the Company is not material, will not result in any additional environmental impacts that were not addressed in the SEQRA Resolution, and does not require that the Agency alter or amend its prior negative declaration for the Project, which is hereby ratified and reaffirmed.

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

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

(A) The Project constitutes a “project” within the meaning of the Act; and

(B) The change in ownership of the Company does not constitute a significant change from the original Project that was reviewed under SEQRA Resolution and therefore no further or additional review is required; and

(C) The change in the ownership of the Company is not a material change and does not require a change in the Financial Assistance previously provided by the Agency to the Company.

Section 2. The Agency hereby consents to the change in the membership ownership of the Company from the Original Membership Owner to the New Membership Owner.

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 and/or the Chairperson 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.

	<u>Aye</u>	<u>Nay</u>	<u>Abstain</u>	<u>Absent</u>	<u>Recuse</u>
Nick Canale, Jr.	X				
Tom Kells				X	
Tim Stahl	X				
H. Leonard Schick	X				
Morris Sorbello	X				
Gary T. Toth	X				

Barry Trimble	X				
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The resolution was thereupon declared duly adopted.

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

I, the undersigned Chair 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 March 25, 2020, 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 March 25, 2020.

Gary Toth
Chair

(SEAL)