

**Jefferson County Industrial Development Agency**  
800 Starbuck Avenue, Suite 800  
Watertown, New York 13601  
Telephone: (315) 782-5865 or (800) 553-4111 Facsimile (315) 782-7915  
[www.jcida.com](http://www.jcida.com)

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**Notice of Board Meeting**

**Date:** January 29, 2021

**To:** John Jennings  
Robert Aliasso  
W. Edward Walldroff  
Paul Warneck  
William Johnson  
Lisa L'Huillier

**From:** Chairman David Converse

**Re:** Notice of Board of Directors' Meeting

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The Jefferson County Industrial Development Agency will hold their Board Meeting on **Thursday, February 11, 2021 at 8:30 a.m.** in the board room at 800 Starbuck Avenue, Watertown, NY.

**Zoom:**  
<https://us02web.zoom.us/j/84355250468?pwd=R0t4VjRPdGJBZDJrL2JQYVVVjKytDdz09>  
Meeting ID: 843 5525 0468  
Passcode: 011440  
1-929-205-6099 US (New York)

The live stream link will be available at [www.jcida.com](http://www.jcida.com).

Please confirm your attendance with Peggy Sampson [pssampson@jcida.com](mailto:pssampson@jcida.com) at your earliest convenience.

pss

c: David Zembiec, CEO  
Marshall Weir  
Lyle Eaton  
Justin Miller, Esq.  
Matthew Moses, Esq.  
Christine Powers  
Greg Gardner  
Kent Burto  
Rob Aiken  
Media

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## **BOARD MEETING AGENDA**

**Thursday, February 11, 2021 - 8:30 a.m.**

- I. Call to Order**
- II. Pledge of Allegiance**
- III. Privilege of the Floor**
- IV. Minutes – January 7, 2021**
- V. Treasurer’s Report – January 31, 2021**
- VI. Committee Reports**
  - a. Loan Review Committee**
- VII. Unfinished Business**
  - 1. 146 Arsenal Street Building**
  - 2. YMCA Project**
  - 3. NYS REDI Program**
- VIII. New Business**
  - 1. Consider Resolution No. 02.11.2021.01 for OYA Robinson Road, LLC**
  - 2. Consider Resolution No. 02.11.2021.02 for OYA Wayside Drive, LLC**
  - 3. Consider Resolution No. 02.11.2021.03 to acquire land from City of Watertown**
- IX. Counsel**
  - Attorney Miller:**
    - 1. Consider Initial Project Resolution No. 02.11.2021.04 for Roth Industries, Inc.**
  - Attorney Moses:**
    - NY USLE Carthage SR26 A LLC**
      - 1. Consider Environmental Resolution No. 02.11.2021.05**
      - 2. Consider Preliminary Inducement Resolution No. 02.11.2021.06**
      - 3. Consider Preliminary Agreement**
    - NY USLE Carthage SR26 B LLC**
      - 1. Consider Environmental Resolution No. 02.11.2021.07**
      - 2. Consider Preliminary Inducement Resolution No. 02.11.2021.08**
      - 3. Consider Preliminary Agreement**
- X. Adjournment**

**Jefferson County Industrial Development Agency  
Board Meeting Minutes  
January 7, 2021**

**DRAFT**

The Jefferson County Industrial Development Agency held their board meeting on Thursday, January 7, 2021 in the board room at 800 Starbuck Avenue, Watertown, NY.

**Present:** David Converse, Chair, W. Edward Walldroff

**Zoom:** Paul Warneck, William Johnson, Robert E. Aliasso, Jr., Lisa L'Huillier, John Jennings

**Excused:** None

**Absent:** None

**Also Present:** Joseph Russell, Esq.

**Zoom:** Rob Aiken, Christine Powers, Katie, Benoit from 7News, Craig Fox from the Watertown Daily Times, and Thomas Iorizzo

**Staff Present:** David Zembiec, Lyle Eaton, Marshall Weir

**Zoom:** Peggy Sampson

- I. Call to Order:** Chairman Converse called the meeting to order at 8:50 a.m.
- II. Privilege of the Floor:** Mr. Converse invited guests to speak. No one spoke.
- III. Minutes:** Minutes of the regular meeting held December 3, 2020 were presented. A motion to approve the minutes as presented was made by Mr. Aliasso, seconded by Ms. L'Huillier. All in favor. Carried.
- IV. Treasurer's Report:** Mr. Aliasso reviewed the financials for the period ending December 31, 2020. After discussion, a motion was made by Mr. Aliasso to accept the financial report as presented, seconded by Ms. L'Huillier. All in favor. Carried.
- V. Committee Reports:**
  - a. Loan Review Committee**
    - i. Resolution No. 01.07.2021.01 for Willowbrook Enterprises, Inc. – Mr.**  
Converse read the resolution. He said that the resolution needs to be amended to list JCIDA rather than JCLDC in the fourth paragraph. After review and discussion, a motion was made by Mr. Aliasso to approve the amended resolution, seconded by Mr. Jennings. All in favor. Carried.
- VI. Unfinished Business:**
  - 1. 146 Arsenal Street Building –**
    - a. Contingent Consent, Waiver and Release of Right of First Refusal and Indemnification Agreement –** Mr. Zembiec said that in order for the YMCA to sign the Ground Lease with JCIDA they are requiring Top of the Square, LLC (Washington Street Properties) to waive their right to first refusal. Mr. Zembiec said

**DRAFT**

that Washington Street Properties is requiring all three parties to sign an Indemnification Agreement. He said that it does not obligate the JCIDA or the YMCA to anything that we would not be obligated to through the existing agreement.

A motion was made by Mr. Aliasso to approve the waiver and indemnification agreement as presented, seconded by Mr. Warneck. All in favor. Carried.

- b. **Kitchen Equipment** – Mr. Zembiec said that the Building & Grounds Committee is recommending the sale of the call center kitchen equipment to Lundy Development LLC for \$3,000. Mr. Zembiec provided board members with an explanatory statement for the negotiated disposal of abandoned kitchen equipment. He said that Lundy Development will remove the equipment and that a licensed plumber will disconnect and cap the gas and plumbing lines in order to ensure safe and proper removal.

A motion was made by Mr. Warneck to approve the disposition of kitchen equipment, seconded by Mr. Aliasso.

**Other Furnishings:**

A motion was made by Mr. Warneck to authorize the CEO to negotiate disposition and transfer of furnishings to not-for-profit groups and others, seconded by Mr. Aliasso. All in favor. Carried.

2. **YMCA Project** – Mr. Zembiec said that the YMCA will present their design plans to the board when they are settled.
3. **NYS REDI Program** – Mr. Zembiec said there is nothing new to report. He said he continues to work with Justin Miller of Harris Beach to see if the process can be streamlined without having to go through the whole lease-leaseback process.

**VII. New Business:**

1. **Corporate Park Lot 2B Building Review** – Attorney Russell said that Part 1 of the SEQR was filled out by the Applicant (Michael Lundy) but noted that it has not been approved by the planning board as of yet. He suggested the board answer questions to Part 2 and make a determination before reviewing the submitted building plans. At this time, Attorney Russell read all twelve questions. The board answered no to all twelve questions.

A motion was made by Mr. Warneck to affirm an unlisted negative declaration, seconded by Mr. Walldroff. All in favor. Carried.

After review and discussion, a motion was made by Mr. Warneck to approve the building design provided there are no substantial changes by the Town approval, seconded by Mr. Walldroff. All in favor. Carried.



**DRAFT**

2. **Lake Champlain – Lake George COVID-19 Small Business Recovery Program:**  
**Subaward Contract** – Mr. Zembiec said that the Lake Champlain – Lake George Regional Planning Board is seeking approval to promote and package loans for their program. He said the IDA will be reimbursed for staff time and other expenses, up to a maximum of \$10,000.

Mr. Aliasso asked if we can still offer our incentives to businesses we direct to their program. Mr. Zembiec said that we are not barred from doing so.

A motion was made by Mr. Aliasso to approve the Subaward Contract, seconded by Mr. Walldroff. All in favor. Carried.

**Potential Sale of Real Property** – Mr. Zembiec said there is nothing new to report at this time.

VIII. **Counsel:** None.

- IX. **Adjournment:** With no further business before the board, a motion to adjourn was made by Mr. Aliasso, seconded by Mr. Walldroff. All in favor. The meeting adjourned at 9:24 a.m.

Respectfully submitted,

*Peggy Sampson*

**JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY**  
**Resolution Number 01.07.2021.01**

**RESOLUTION FOR AUTHORIZING A MODIFICATION TO THE LOAN  
COMMITMENT FOR  
WILLOWBROOK ENTERPRISES, INC.**

**WHEREAS**, a request to modify the commitment to remove the requirement of key man life insurance for Douglas McDavitt, and

**WHEREAS**, Staff and Watertown Savings Bank agree that there is more than enough equity to cover the requirement, and

**WHEREAS**, Loan Review recommended the request to the full board of directors, and

**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Directors of the Jefferson County Industrial Development Agency that it herein approves the request for the modification to the Willowbrook Enterprises, Inc. commitment and that all other terms and conditions of the original loan remain in effect, and be it further,

**RESOLVED**, that the Chairman, Vice Chairman, Secretary and/or Chief Executive Officer are authorized and directed to execute any and all documents necessary to carry out the purposes of this Resolution.

This resolution shall take effect immediately.

  
\_\_\_\_\_  
David J. Zembiec  
Chief Executive Officer

# JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY

## Income Statement for the Four Month Period Ending January 31, 2021

Prepared by Lyle Eaton, February 4, 2021

UNRECONCILED

|                                     | Current<br>Year<br>Budget | Year-to-Dat<br>e Total | Current<br>Month     | Previous<br>Month  | Balance<br>Remaining |
|-------------------------------------|---------------------------|------------------------|----------------------|--------------------|----------------------|
| <b>Revenues</b>                     |                           |                        |                      |                    |                      |
| Application & Process Fees          | \$ 3,000.00               | 12,600.00              | \$ (2,500.00)        | 0.00               | (9,600.00)           |
| RCI Annual CD Fund                  | 279,427.00                | 279,427.20             | 279,427.20           | 0.00               | (0.20)               |
| Bond Admin Fee                      | 3,000.00                  | 3,000.00               | 3,000.00             | 0.00               | 0.00                 |
| PILOT/Sale Leaseback Fees           | 914,174.00                | 648,980.00             | 403,210.00           | 0.00               | 265,194.00           |
| Fee Income - RLF Program            | 43,424.00                 | 14,474.34              | 3,618.56             | 3,618.56           | 28,949.66            |
| Fee Income - Micro Program          | 26,137.00                 | 8,712.32               | 2,178.08             | 2,178.08           | 17,424.68            |
| Interest Income                     | 3,500.00                  | 703.86                 | 148.03               | 183.16             | 2,796.14             |
| Interest Income - RLF Program       | 25,000.00                 | 7,661.01               | 2,438.84             | 1,814.20           | 17,338.99            |
| Interest Income - City Fund         | 6,000.00                  | 1,386.50               | 344.61               | 345.96             | 4,613.50             |
| Interest Income - Micro Prog.       | 9,000.00                  | 2,911.67               | 1,051.41             | 462.81             | 6,088.33             |
| Late Payment Penalty - Micro        | 100.00                    | 48.88                  | 26.24                | 0.00               | 51.12                |
| Miscellaneous Income                | 1,500.00                  | 3,494.46               | 3,166.88             | 0.00               | (1,994.46)           |
| <b>Total Revenues</b>               | <b>1,314,262.00</b>       | <b>983,400.24</b>      | <b>696,109.85</b>    | <b>8,602.77</b>    | <b>330,861.76</b>    |
| <b>Operations</b>                   |                           |                        |                      |                    |                      |
| Office Expense                      | 1,000.00                  | 392.50                 | 0.00                 | 0.00               | 607.50               |
| RCI Fee Sharing                     | 139,714.00                | 139,713.50             | 139,713.50           | 0.00               | 0.50                 |
| Admin Services Exp                  | 662,665.00                | 220,888.32             | 55,222.08            | 55,222.08          | 441,776.68           |
| D&O Insurance                       | 14,000.00                 | 4,857.32               | 1,214.33             | 1,214.33           | 9,142.68             |
| Commercial Insurance                | 10,000.00                 | 2,575.68               | 643.92               | 643.92             | 7,424.32             |
| FTZ Expense                         | 1,250.00                  | 1,250.00               | 0.00                 | 0.00               | 0.00                 |
| Legal - Unrestricted                | 18,000.00                 | 4,302.50               | 1,000.00             | 1,009.50           | 13,697.50            |
| Accounting & Auditing               | 11,000.00                 | 10,700.00              | 0.00                 | 10,700.00          | 300.00               |
| CEDS Update                         | 7,500.00                  | 0.00                   | 0.00                 | 0.00               | 7,500.00             |
| Coffeen Park Taxes                  | 1,700.00                  | 1,759.79               | 1,759.79             | 0.00               | (59.79)              |
| Airport Park Taxes                  | 1,000.00                  | 1,052.54               | 1,052.54             | 0.00               | (52.54)              |
| Fees Expense                        | 2,000.00                  | 1,860.00               | 1,750.00             | 0.00               | 140.00               |
| Bad Debt--RLF                       | 190,000.00                | 0.00                   | 0.00                 | 0.00               | 190,000.00           |
| Bad Debt--Micro                     | 30,642.00                 | 0.00                   | 0.00                 | 0.00               | 30,642.00            |
| RLF Program Expense                 | 43,424.00                 | 14,474.34              | 3,618.56             | 3,618.56           | 28,949.66            |
| Microenterprise Program Exp         | 26,167.00                 | 8,712.32               | 2,178.08             | 2,178.08           | 17,454.68            |
| RLF Audit Expense                   | 800.00                    | 0.00                   | 0.00                 | 0.00               | 800.00               |
| Plowing 146 Arsenal                 | 20,000.00                 | 0.00                   | 0.00                 | 0.00               | 20,000.00            |
| IDA 146 Arsenal Bldg Expense        | 25,000.00                 | 8,547.25               | 1,500.47             | 1,702.98           | 16,452.75            |
| City/County Parking Lot Fund        | 20,000.00                 | 20,000.00              | 0.00                 | 0.00               | 0.00                 |
| Insurance                           | 13,000.00                 | 8,623.00               | 2,155.75             | 2,155.75           | 4,377.00             |
| Building Depreciation               | 33,000.00                 | 23,896.55              | 5,621.09             | 6,091.82           | 9,103.45             |
| 146 Arsena Equip. Depreciation      | 3,000.00                  | 1,590.88               | 397.72               | 397.72             | 1,409.12             |
| 146 Arsenal Electric                | 20,000.00                 | 13,246.82              | 469.99               | 5,271.95           | 6,753.18             |
| 146 Arsenal Water                   | 2,200.00                  | 931.81                 | 0.00                 | 306.27             | 1,268.19             |
| Salary Expense                      | 17,000.00                 | 11,921.10              | 2,635.28             | 2,636.29           | 5,078.90             |
| Miscellaneous - Unrestricted        | 200.00                    | 0.00                   | 0.00                 | 0.00               | 200.00               |
| <b>Total Operations</b>             | <b>1,314,262.00</b>       | <b>501,296.22</b>      | <b>220,933.10</b>    | <b>93,149.25</b>   | <b>812,965.78</b>    |
| Total Revenue                       | 1,314,262.00              | 983,400.24             | 696,109.85           | 8,602.77           | 330,861.76           |
| Total Expenses                      | 1,314,262.00              | 501,296.22             | 220,933.10           | 93,149.25          | 812,965.78           |
| <b>Net Income Over Expenditures</b> | <b>\$ 0.00</b>            | <b>482,104.02</b>      | <b>\$ 475,176.75</b> | <b>(84,546.48)</b> | <b>(482,104.02)</b>  |

For Internal Use Only

Jeff Co Industrial Development Agency  
Balance Sheet  
January 31, 2021

ASSETS

|                                |    |                            |
|--------------------------------|----|----------------------------|
| Current Assets                 |    |                            |
| General Checking               | \$ | 228,502.34                 |
| Savings Account                |    | 787,139.30                 |
| PILOT Checking Account         |    | 155,249.78                 |
| Microenterprise Account        |    | 137,068.72                 |
| City Loan Account              |    | 202,244.06                 |
| Revolving Loan Fund Account    |    | 3,672,321.83               |
| PILOT Monies Receivable        |    | 69,785.35                  |
| Miscellaneous Receivable       |    | 403,710.00                 |
| Acct Receivable - Rogers       |    | 19,258.50                  |
| RLF Loans Receivable           |    | 747,704.06                 |
| Microenterprise Loans Rec.     |    | 164,771.04                 |
| Watn. Economic Growth Fund Rec |    | 82,380.69                  |
| Allowance for Bad Debt-RLF     |    | (190,000.00)               |
| Allow. for Bad Debts-MICRO     |    | (30,641.75)                |
| Prepaid Expense                |    | 32,562.15                  |
|                                |    | <hr/>                      |
| Total Current Assets           |    | 6,482,056.07               |
| Property and Equipment         |    |                            |
| Accum Depr - Building          |    | (1,229,463.12)             |
| Accum Depr. Equipment          |    | (193,429.98)               |
|                                |    | <hr/>                      |
| Total Property and Equipment   |    | (1,422,893.10)             |
| Other Assets                   |    |                            |
| IT Server                      |    | 6,050.00                   |
| Galaxy Tablets                 |    | 13,366.00                  |
| Corp. Park Improvements        |    | 209,995.14                 |
| Airport Property               |    | 884,326.02                 |
| Intangible Asset               |    | 50,538.56                  |
| WIP Airport                    |    | 131,675.06                 |
| Woolworth Building             |    | 505,000.00                 |
| 146 Ars Building Improvements  |    | 1,233,689.56               |
| WIP Arsenal Deck & Sidewalks   |    | 11,000.00                  |
|                                |    | <hr/>                      |
| Total Other Assets             |    | 3,045,640.34               |
| Total Assets                   | \$ | <u><u>8,104,803.31</u></u> |

LIABILITIES AND CAPITAL

|                               |    |            |
|-------------------------------|----|------------|
| Current Liabilities           |    |            |
| Accounts Payable - Unrestrict | \$ | 3,827.63   |
| PILOT Monies Payable          |    | 225,035.13 |
| Due HUD - RLF Interest        |    | 477.79     |
| Due HUD - MICRO Interest      |    | 3.32       |
| Maintenance Reserve Convergys |    | 14,445.48  |
| Maintenance Expense Convergys |    | 25,927.57  |
| Car Freshner Signage          |    | 11,000.00  |
|                               |    | <hr/>      |
| Total Current Liabilities     |    | 280,716.92 |
| Long-Term Liabilities         |    |            |
| Due NYS/IAP L.T.              |    | 180,159.78 |
| Deferred Revenue - Rogers     |    | 19,739.70  |
|                               |    | <hr/>      |

Unaudited - For Management Purposes Only

Jeff Co Industrial Development Agency  
Balance Sheet  
January 31, 2021

|                                |              |              |
|--------------------------------|--------------|--------------|
| Total Long-Term Liabilities    |              | 199,899.48   |
| Total Liabilities              |              | 480,616.40   |
| Capital                        |              |              |
| General Fund Bal - Unrestrict. | 1,065,873.31 |              |
| Fund Bal - RLF Restricted      | 4,419,309.27 |              |
| Fund Bal - Micro Restricted    | 414,850.76   |              |
| Fund Bal - City Restricted     | 262,489.22   |              |
| Cap. Impr. Convergys           | 979,560.33   |              |
| Net Income                     | 482,104.02   |              |
| Total Capital                  |              | 7,624,186.91 |
| Total Liabilities & Capital    | \$           | 8,104,803.31 |

**JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY**  
**146 Arsenal Expenses for the Four Month Period Ending January 31, 2021**  
**Prepared by Lyle Eaton**

|                              | Current<br>Year<br>Budget | Year-to-Date<br>Total | Current<br>Month    | Previous<br>Month | % YTD of<br>Budget |
|------------------------------|---------------------------|-----------------------|---------------------|-------------------|--------------------|
| <b>Expenses</b>              |                           |                       |                     |                   |                    |
| Plowing 146 Arsenal          | \$ 20,000.00              | 0.00                  | \$ 0.00             | 0.00              | 0.00               |
| IDA 146 Arsenal Bldg Expens  | 25,000.00                 | 8,547.25              | 1,500.47            | 1,702.98          | 34.19              |
| City/County Parking Lot Fund | 20,000.00                 | 20,000.00             | 0.00                | 0.00              | 100.00             |
| Insurance                    | 13,000.00                 | 8,623.00              | 2,155.75            | 2,155.75          | 66.33              |
| Building Depreciation        | 33,000.00                 | 23,896.55             | 5,621.09            | 6,091.82          | 72.41              |
| 146 Arsena Equip. Depreciati | 3,000.00                  | 1,590.88              | 397.72              | 397.72            | 53.03              |
| 146 Arsenal Electric         | 20,000.00                 | 13,246.82             | 469.99              | 5,271.95          | 66.23              |
| 146 Arsenal Water            | 2,200.00                  | 931.81                | 0.00                | 306.27            | 42.36              |
| Salary Expense               | 17,000.00                 | 11,921.10             | 2,635.28            | 2,636.29          | 70.12              |
| <b>Total Expenses</b>        | <b>\$ 153,200.00</b>      | <b>88,757.41</b>      | <b>\$ 12,780.30</b> | <b>18,562.78</b>  | <b>57.94</b>       |

**Jeff Co Industrial Development Agency****General Checking Cash Receipts Journal****For the Period From Jan 1, 2021 to Jan 31, 2021**

Filter Criteria includes: Report order is by Check Date. Report is printed in Detail Format.

| Date    | Account ID                 | Transaction | Line Description   | Debit Amnt        | Credit Amnt       |
|---------|----------------------------|-------------|--|-------------------|-------------------|
| 1/7/21  | 125001<br>100001           | 606         | Invoice: 3552<br>FT DRUM MT. COMMUNITY HOMES               | 279,427.20        | 279,427.20        |
| 1/7/21  | 125001<br>100001           | 1226        | Invoice: MICRO MONTHLY FEE3<br>JEFFERSON COUNTY INDUSTRIAL | 2,178.08          | 2,178.08          |
| 1/7/21  | 125001<br>100001           | 2180        | Invoice: RLF MONTHLY FEE3<br>JEFFERSON COUNTY INDUSTRIAL   | 3,618.56          | 3,618.56          |
| 1/7/21  | 125501<br>412501<br>100001 | 3148        | 12/20 PRINCIPAL<br>1/20 INTEREST<br>KENNETH F. ROGERS      | 314.91            | 166.88<br>148.03  |
| 1/7/21  | 207005<br>205602<br>100001 | 1373        | DUE MICRO<br>DUE SHLDC<br>MAIN STREET CRAFTS & DRAFTS      | 269.86            | 134.93<br>134.93  |
| 1/7/21  | 207005<br>205602<br>100001 | 415         | DUE MICRO<br>DUE SHLDC<br>THE SANDWICH BAR                 | 717.00            | 358.50<br>358.50  |
| 1/21/21 | 207005<br>205602<br>100001 | 19165       | DUE MICRO<br>DUE SHLDC<br>PAINFULL ACRES                   | 989.37            | 565.35<br>424.02  |
| 1/28/21 | 125001<br>100001           | 5442        | Invoice: 3571<br>JCLDC                                     | 200.00            | 200.00            |
| 1/28/21 | 125001<br>100001           | 1733        | Invoice: 3566<br>LUNCO CORPORATION                         | 3,000.00          | 3,000.00          |
|         |                            |             |  | <u>290,714.98</u> | <u>290,714.98</u> |



**Jeff Co Industrial Development Agency**  
**Micro Loans Receivable**  
**As of Jan 31, 2021**

Filter Criteria includes: 1) Includes Drop Shipments. Report order is by ID. Report is printed in Summary Format.

| Customer                               | Amount Due        |
|--|-------------------|
| COLLEEN'S CHERRY TREE INN              | 34,950.54         |
| R.L.GOULD & SON, LLC                   | 28,224.11         |
| THOUSAND ISLANDS AREA HABITAT FOR HUMA | 21,909.30         |
| MAIN STREET CRAFTS & DRAFTS            | 4,486.39          |
| PAINFULL ACRES                         | 27,282.22         |
| THE SANDWICH BAR                       | 7,463.97          |
| SARAH'S BARBER SHOP                    | 8,653.04          |
| THE SCRUB HUB                          | 9,266.23          |
| SERV-PRO                               | 3,527.91          |
| SACKETS HARBOR TRADING CO.             | 378.38            |
| TASTE OF DESIGN                        | 18,628.95         |
|  | <u>164,771.04</u> |

**Jeff Co Industrial Development Agency**  
**Revolving Loan Fund Receivables**  
**As of Jan 31, 2021**

Filter Criteria includes: 1) Includes Drop Shipments. Report order is by ID. Report is printed in Summary Format.

| Customer               | Amount Due        |
|------------------------|-------------------|
| MEADOWBROOK TERRACE    | 63,024.83         |
| MLR,LLC                | 99,132.31         |
| RBM MANUFACTURING CORP | 400,000.00        |
| WRIGHT BROS. LLC       | 185,546.92        |
|                        | <u>747,704.06</u> |

**Jeff Co Industrial Development Agency**  
**Watn. Economic Growth Fund**  
**As of Jan 31, 2021**

Filter Criteria includes: 1) Includes Drop Shipments. Report order is by ID. Report is printed in Summary Format.

| Customer             | Amount Due       |
|----------------------|------------------|
| CURRENT APPLICATIONS | 82,380.69        |
|                      | <u>82,380.69</u> |

## Jeff Co Industrial Development Agency

## PILOT Receivables

As of Jan 31, 2021

Filter Criteria includes: 1) Includes Drop Shipments. Report order is by ID. Report is printed in Detail Format.

| Customer ID<br>Customer<br>Bill To Contact<br>Telephone 1          | Invoice/CM | 0 - 30    | 31 - 60 | 61 - 90 | Over 90 days | Amount Due |
|--|------------|-----------|---------|---------|--------------|------------|
| ARC FEWTRN001, LLC<br>ARC FEWTRN001, LLC                           | 3559       | 41,193.78 |         |         |              | 41,193.78  |
| ARC FEWTRN001, LLC<br>ARC FEWTRN001, LLC                           |            | 41,193.78 |         |         |              | 41,193.78  |
| CURRENT APPLICATIONS<br>CURRENT APPLICATIONS                       | 3577       | 878.83    |         |         |              | 878.83     |
| CURRENT APPLICATIONS<br>CURRENT APPLICATIONS                       |            | 878.83    |         |         |              | 878.83     |
| NY AB<br>NEW YORK AIR BRAKE COMPANY<br>FRANK ANDRE<br>315-786-5200 | 3573       | 1,936.37  |         |         |              | 1,936.37   |
| NY AB<br>NEW YORK AIR BRAKE COMPANY                                |            | 1,936.37  |         |         |              | 1,936.37   |
| ROTH<br>ROTH INDUSTRIES, INC.                                      | 3574       | 12,729.65 |         |         |              | 12,729.65  |
| ROTH<br>ROTH INDUSTRIES, INC.                                      |            | 12,729.65 |         |         |              | 12,729.65  |
| WICLDC<br>WATERTOWN INDUSTRIAL CENTE<br>315-782-9277               | 3575       | 9,495.72  |         |         |              | 9,495.72   |
| WICLDC<br>WATERTOWN INDUSTRIAL CENTE                               |            | 9,495.72  |         |         |              | 9,495.72   |
| WOOLWORTH<br>WOOLWORTH WATERTOWN, LLC                              | 3576       | 3,551.00  |         |         |              | 3,551.00   |
| WOOLWORTH<br>WOOLWORTH WATERTOWN, LLC                              |            | 3,551.00  |         |         |              | 3,551.00   |
| Report Total   |            | 69,785.35 |         |         |              | 69,785.35  |

**Jeff Co Industrial Development Agency**  
**Miscellaneous Receivables**  
**As of Jan 31, 2021**

Filter Criteria includes: 1) Includes Drop Shipments. Report order is by ID. Report is printed in Detail Format.

| Customer ID<br>Customer<br>Bill To Contact<br>Telephone 1       | Invoice/CM | 0 - 30     | 31 - 60 | 61 - 90 | Over 90 days | Amount Due |
|---|------------|------------|---------|---------|--------------|------------|
| CIDC<br>CARTHAGE INDUSTRIAL DEV. COR<br>JOHN MCHUGH<br>493-4429 | PR 3-23-12 |            |         |         | -338.38      | -338.38    |
| CIDC<br>CARTHAGE INDUSTRIAL DEV. COR                            |            |            |         |         | -338.38      | -338.38    |
| OYA ROBINSON<br>OYA ROBINSON ROAD LLC                           | 3564       | 199,105.00 |         |         |              | 199,105.00 |
| OYA ROBINSON<br>OYA ROBINSON ROAD LLC                           |            | 199,105.00 |         |         |              | 199,105.00 |
| OYA WAYSIDE<br>OYA WAYSIDE DRIVE, LLC                           | 3565       | 199,105.00 |         |         |              | 199,105.00 |
| OYA WAYSIDE<br>OYA WAYSIDE DRIVE, LLC                           |            | 199,105.00 |         |         |              | 199,105.00 |
| REENERGY<br>ReEnergy Black River, LLC<br>518-810-0200           | 3551       | 3,000.00   |         |         |              | 3,000.00   |
| REENERGY<br>ReEnergy Black River, LLC                           |            | 3,000.00   |         |         |              | 3,000.00   |
| ROTH<br>ROTH INDUSTRIES, INC.                                   | 3572       | 2,500.00   |         |         |              | 2,500.00   |
| ROTH<br>ROTH INDUSTRIES, INC.                                   |            | 2,500.00   |         |         |              | 2,500.00   |
| Report Total  |            | 403,710.00 |         |         | -338.38      | 403,371.62 |

**Jeff Co Industrial Development Agency**  
**Unrestricted Aged Payables**  
**As of Jan 31, 2021**

Filter Criteria includes: 1) Includes Drop Shipments. Report order is by ID. Report is printed in Detail Format.

| Vendor                             | Invoice/CM # | Date     | Net To Pay |
|------------------------------------|--------------|----------|------------|
| BERNIER, CARR & ASSOCIATES, P.C.   | 20-1433      | 12/31/20 | 2,040.00   |
| BERNIER, CARR & ASSOCIATES, P.C.   |              |          | 2,040.00   |
| JEFF COUNTY LDC                    | 2308         | 1/21/21  | 1,317.64   |
| JEFF COUNTY LDC                    |              |          | 1,317.64   |
| NATIONAL GRID                      | 012221       | 1/22/21  | 66.35      |
|                                    | 12221        | 1/22/21  | 380.07     |
| NATIONAL GRID                      |              |          | 446.42     |
| NATIONAL BENEFIT LIFE INSURANCE CO | 1222021      | 1/22/21  | 23.57      |
| NATIONAL BENEFIT LIFE INSURANCE CO |              |          | 23.57      |
|                                    |              |          | 3,827.63   |

**Jeff Co Industrial Development Agency**  
**Cash Disbursements Journal**  
**For the Period From Jan 1, 2021 to Jan 31, 2021**

Filter Criteria includes: Report order is by Date. Report is printed in Detail Format.

| Date    | Check # | Account ID                           | Line Description  | Debit Amount              | Credit Amount |
|---------|---------|--------------------------------------|---|---------------------------|---------------|
| 1/5/21  | 7410    | 200001<br>100001                     | Invoice: RETAINER 20-21-4<br>BARCLAY DAMON LLP                                | 1,000.00                  | 1,000.00      |
| 1/5/21  | 7411    | 200001<br>100001                     | Invoice: 20-1324<br>BERNIER, CARR & ASSOCIATES, P.C.                          | 3,320.00                  | 3,320.00      |
| 1/5/21  | 7412    | 200001<br>100001                     | Invoice: 2021<br>CENTER FOR GOVERNMENT RESEARCH                               | 1,750.00                  | 1,750.00      |
| 1/5/21  | 7413    | 200001<br>200001<br>100001           | Invoice: FIRE SERVICE 146<br>Invoice: 12-2020 WATER<br>CITY COMPTROLLER       | 43.38<br>262.89           | 306.27        |
| 1/5/21  | 7414    | 200001<br>200001<br>100001           | Invoice: 2021 TAXES COFFEEN<br>Invoice: 2021 TAXES<br>TOWN OF HOUNSFIELD      | 4.14<br>1,052.54          | 1,056.68      |
| 1/5/21  | 7415    | 200001<br>100001                     | Invoice: 1/21 MAIN ST<br>JEFFERSON COUNTY INDUSTRIAL                          | 134.93                    | 134.93        |
| 1/5/21  | 7417    | 200001<br>100001                     | Invoice: 26232<br>LAFAVE, WHITE & MCGIVERN                                    | 345.00                    | 345.00        |
| 1/5/21  | 7418    | 200001<br>200001<br>200001<br>100001 | Invoice: 12-21-2020<br>Invoice: 12-21-20e<br>Invoice: 122120<br>NATIONAL GRID | 23.57<br>396.60<br>163.52 | 583.69        |
| 1/5/21  | 7419    | 200001<br>100001                     | Invoice: 1/21 MAIN ST<br>SACKETS HARBOR LDC                                   | 134.93                    | 134.93        |
| 1/5/21  | 7420    | 200001<br>100001                     | Invoice: 0448-4<br>WASTE MANAGEMENT   | 78.91                     | 78.91         |
| 1/5/21  | 7421    | 200001<br>100001                     | Invoice: 2021 COFFEEN TAXES<br>TOWN OF WATERTOWN                              | 1,755.65                  | 1,755.65      |
| 1/5/21  | 7422    | 200001<br>100001                     | Invoice: AGREEMENT 20-21-4<br>WATERTOWN INDUSTRIAL CENTER                     | 1,250.00                  | 1,250.00      |
| 1/5/21  | 7423    | 200001<br>100001                     | Invoice: 1/21 SANDWICH<br>JEFFERSON COUNTY INDUSTRIAL                         | 358.50                    | 358.50        |
| 1/5/21  | 7424    | 200001<br>100001                     | Invoice: 1/21 SANDWICH<br>SACKETS HARBOR LDC                                  | 358.50                    | 358.50        |
| 1/5/21  | 7425    | 200001<br>100001                     | Invoice: MONTHLY ADMIN FEE3<br>JEFF COUNTY LDC                                | 55,222.08                 | 55,222.08     |
| 1/5/21  | 7426    | 200001<br>100001                     | Invoice: FINAL 2021<br>JEFFERSON COUNTY TREASURER                             | 139,713.50                | 139,713.50    |
| 1/7/21  | 7427    | 200001<br>100001                     | Invoice: 2306<br>JEFF COUNTY LDC  | 1,317.64                  | 1,317.64      |
| 1/8/21  | 7430    | 200001<br>100001                     | Invoice: 10821<br>ONONDAGA DEVELOPMENT  | 2,850.00                  | 2,850.00      |
| 1/14/21 | 7428    | 200001<br>100001                     | Invoice: 198369<br>BOWERS & COMPANY, CPAs PLLC                                | 10,700.00                 | 10,700.00     |
| 1/14/21 | 7429    | 200001<br>100001                     | Invoice: 122320<br>NATIONAL GRID  | 4,688.26                  | 4,688.26      |
| 1/21/21 | 7431    | 200001<br>100001                     | Invoice: 1/21 PAINFULL<br>JEFFERSON COUNTY INDUSTRIAL                         | 565.35                    | 565.35        |
| 1/21/21 | 7432    | 200001<br>100001                     | Invoice: 1/21 PAINFULL<br>SACKETS HARBOR LDC                                  | 424.02                    | 424.02        |



**Jeff Co Industrial Development Agency**  
**Cash Disbursements Journal**  
**For the Period From Jan 1, 2021 to Jan 31, 2021**

Filter Criteria includes: Report order is by Date. Report is printed in Detail Format.

| Date    | Check # | Account ID       | Line Description   | Debit Amount      | Credit Amount     |
|---------|---------|------------------|--|-------------------|-------------------|
| 1/21/21 | 7433    | 200001<br>100001 | Invoice: 11021<br>WESTELCOM  | 171.56            | 171.56            |
| 1/22/21 | 7434    | 425001<br>100001 | REFUND OF DOUBLE PAYMENT THAT<br>WAS MADE<br>AVIAGEN NORTH AMERICA, INC. | 2,858.81          | 2,858.81          |
| Total   |         |                  |  | <u>230,944.28</u> | <u>230,944.28</u> |

**Joint Meeting of JCIDA Loan Review and JCLDC Alternative Energy  
Committee Meeting Minutes  
January 28, 2021**

**Present (Loan Review):** Robert Aliasso, Chair, David Converse, John Jennings  
**Present (Alternative Energy):** William Johnson, Paul Warneck

**Also Present:** David Zembiec, Marshall Weir, Lyle Eaton, Peggy Sampson, W. Edward Walldroff, Rob Aiken, Matthew Moses, Esq., Mark Richardson and Toni Popolizio from US Light Energy

The joint meeting was called to order at 10:13 a.m.

**JCLDC Alternative Energy Committee Meeting:**

Energy Chair Johnson said that a revised application was sent out to committee members for NY USLE Carthage SR26 B LLC.

**Solitude Solar LLC (Philadelphia – Units A – D)** – Mr. Warneck asked about these projects. Attorney Moses indicated that his firm has not seen the applications, but indicated that the board could consider approving a one-year PILOT since the developer is up against a March 1<sup>st</sup> deadline, then amend the PILOT to include the additional years. He said the board could induce the project at the February 11<sup>th</sup> meeting and schedule a public hearing for the end of the month and schedule a special meeting to approve the authorizing resolution. It was noted that construction on the project has already begun. Mr. Warneck said the developer has gone back and forth on whether they will utilize Section 487. Mr. Converse said that we should consider moving ahead with a one-year PILOT at a minimum and then go from there. The developer will pay the IDA the fee and be responsible for another fee for a second transaction.

Mr. Walldroff mentioned Mr. Matteson's recent council meeting that included a discussion about potential issues with land use on agricultural land. He said that we may need to handle them case by case. Mr. Converse said that the Agency is getting a lot of fees for its future. Mr. Warneck said that the smaller projects are easy to support because the grunt work is done by local zoning officials. He said that we need to have a process in place for bigger projects and may need to require newer appraisals. Mr. Zembiec said that we need to look at the UTEP to be more realistic, but said that the County is okay with our approach so far.

**NY USLE Carthage SR26 A LLC and NY USLE Carthage SR26 B LLC:**

Mr. Eaton said that the revised application for NY USLE Carthage SR26 B LLC will have minimal impact on the cost benefit analysis that he already prepared. He said that there is a slight increase in production and a decrease in labor. He said the sales tax is a difference of approximately \$9,000. Mr. Aliasso said that he wants more time to look at the information to vet it. Mr. Eaton said that he will update the project summaries and send them out. Mr. Warneck said that these are attractive project with ancillary benefits because there is no other use for the land.

**Joint Meeting of JCIDA Loan Review and JCLDC Alternative Energy  
Committee Meeting Minutes  
January 28, 2021**

**JCIDA Loan Review Committee:**

**Call to Order:** Chair Aliasso called the meeting to order at 11:05 a.m.

**Pledge of Allegiance**

**Roth Industries, Inc.** – A request for a 10-year accelerated PILOT for a 6,700 square foot addition to the existing manufacturing facility which will house a state of the art blow molding machine and a separate 10,000 square foot warehouse building and storage building to support increased contract blow molding operations as well as proprietary products.

Mr. Aliasso pointed out that the “but for” question was marked “no” but should be “yes”. He said the application is complete.

A motion was made by Mr. Converse to send the request to the full board of directors, seconded by Mr. Jennings. All in favor.

At 11:12 a.m. Mark Richardson and Toni from US Light Energy joined the meeting.

**Solitude Solar LLC (Philadelphia – Units A – D)**

Mr. Zembiec asked Mr. Richardson if they will continue to pursue Section 487 or consider a one-year PILOT from the Agency to meet the March 1<sup>st</sup> deadline. Mr. Richardson said that he will consult his attorney and respond before the February 11<sup>th</sup> board meeting. Mr. Aliasso said that staff can forward the request to the full board of directors if they decide to proceed with the Agency.

**NY USLE Carthage SR26 A LLC and NY USLE Carthage SR26 B LLC Application review for PILOT requests:**

Mr. Zembiec asked Mr. Richardson about the start date and estimated completion dates in the application. Mr. Richardson said the start date will be in March or April and the estimated completion date is December 31, 2021. He said occupancy will be Q3 or Q4 of this year.

Mr. Converse left the meeting at 11:22 a.m.

Toni said the dates will be corrected and re-submitted. Mr. Zembiec also asked them to sign, date and notarize the corrected submission.

A motion was made by Mr. Jennings to move the requests to the full board of directors once we receive the corrected information, seconded by Mr. Aliasso.

Mr. Richardson and Toni left the meeting at 11:29 a.m.

**Joint Meeting of JCIDA Loan Review and JCLDC Alternative Energy  
Committee Meeting Minutes  
January 28, 2021**

**Other/Unfinished Business:**

**UTEP** – Mr. Zembiec said that we will need to look at revising the UTEP. Mr. Warneck said that we should also consider revising the application to include a section for alternative energy.

Mr. Zembiec indicated that some IDA's have two UTEPs. Attorney Moses said that our IDA can proceed as we have and comply with the UTEP, deviate from the UTEP (which he said most IDA's do) or amend the UTEP.

Mr. Weir left the meeting at 11:35 a.m.

**Ag** (from earlier discussion)

Mr. Zembiec said the ag council meeting raised the issue of getting information out there about the impacts of solar development, both good and bad. He said the council is thinking about a series of workshops for solar development that provide information for evaluation and decision making, but not to take a position or to become a forum for debate. Mr. Warneck said they should be based on global impacts, not just the impact on agriculture. Mr. Walldroff said we should have simple guidelines as part of our application. He suggested having Farmland Protection sponsor the workshops.

**OYA** – Mr. Zembiec said that he received a call from the Town of Orleans asking about battery storage. He said that he will follow up on it.

**Adjournment:** The joint meeting adjourned at 11:48 a.m.

Respectfully submitted,

*Peggy Sampson*

**JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY**

**Resolution Number 02.11.2021.01**

**DRAFT**

**RESOLUTION TO ADJUST FEE ARRANGEMENT FOR  
OYA ROBINSON ROAD, LLC**

**WHEREAS**, OYA Robinson Road, LLC is requesting to pay the PILOT lease-leaseback fee of \$199,105 as follows:

Pay 50% or \$99,552 at closing, then  
Pay the balance of \$99,553 quarterly, and

**WHEREAS**, staff is recommending the request to the full board of directors, and

**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Directors of the Jefferson County Industrial Development Agency that it herein approves the recommendation, and be it further,

**RESOLVED**, that the Chairman, Vice Chairman, Secretary and/or Chief Executive Officer are authorized and directed to execute any and all documents necessary to carry out the purposes of this Resolution.

This resolution shall take effect immediately.

---

David J. Zembiec  
CEO

**JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY**

**Resolution Number 02.11.2021.02**

**DRAFT**

**RESOLUTION FOR FEE ARRANGEMENT FOR  
OYA WAYSIDE DRIVE, LLC**

**WHEREAS**, OYA Wayside Drive, LLC is requesting to pay the PILOT lease-leaseback fee of \$199,105 as follows:

Pay 50% or \$99,552 at closing, then  
Pay the balance of \$99,553 quarterly, and

**WHEREAS**, staff is recommending the request to the full board of directors, and

**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Directors of the Jefferson County Industrial Development Agency that it herein approves the recommendation, and be it further,

**RESOLVED**, that the Chairman, Vice Chairman, Secretary and/or Chief Executive Officer are authorized and directed to execute any and all documents necessary to carry out the purposes of this Resolution.

This resolution shall take effect immediately.

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David J. Zembiec  
CEO

**JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY**

**DRAFT**

**Resolution Number 02.11.2021.03**

**to approve acquisition of land from City of Watertown**

**WHEREAS**, the Jefferson County Industrial Development Agency (the "Agency") is requesting approval to acquire a strip of land (75 ft X 135 ft) from the City of Watertown to accommodate the pool area for the Watertown Family YMCA project at 146 Arsenal Street, and

**WHEREAS**, the City of Watertown has offered to deed that property to the JCIDA for \$1.00, and

**NOW, THEREFORE, BE IT RESOLVED**, by the board of Directors of the Jefferson County Industrial Agency that it hereby approves the request, and be it further

**RESOLVED**, that the Chief Executive Officer or his designee is hereby authorized and directed to execute on behalf of the Agency necessary to complete the acquisition.

This resolution shall take effect immediately.

---

David J. Converse  
Chairman





**INITIAL PROJECT RESOLUTION**  
*(Roth Industries Inc. Project)*

**DRAFT**

A regular meeting of the Jefferson County Industrial Development Agency convened on Thursday, February 11, 2021 at 8:30 a.m.

The following resolution was duly offered and seconded, to wit:

Resolution No. 02.11.2021.04

RESOLUTION OF THE JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY (i) ACCEPTING AN APPLICATION SUBMITTED BY ROTH INDUSTRIES INC. WITH RESPECT TO A CERTAIN PROJECT (AS DESCRIBED BELOW); (ii) AUTHORIZING THE SCHEDULING AND CONDUCT OF A PUBLIC HEARING WITH RESPECT TO THE PROJECT; (iii) DESCRIBING THE FORMS OF FINANCIAL ASSISTANCE BEING CONTEMPLATED BY THE AGENCY; AND (iv) AUTHORIZING THE NEGOTIATION OF CERTAIN AGREEMENTS RELATING TO THE PROJECT.

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 369 of the Laws of 1971 of the State of New York, as amended (hereinafter collectively called the "Act"), the **JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY** (the "Agency") was created with the authority and power to own, lease and sell property for the purpose of, among other things, acquiring, constructing and equipping civic, industrial, manufacturing and commercial facilities as authorized by the Act; and

WHEREAS, the Agency previously undertook a certain project (the "2005 Project") for the benefit of **ROTH INDUSTRIES, INC.** (hereinafter, the "Company") consisting of (i) the acquisition of fee title to an approximately 9 acre parcel of real property located at 268 Bellew Avenue South, Watertown, New York (the "Land", being more particularly identified as Tax Parcel No. 9-43-105.000) and the existing improvements located thereon comprised of approximately 20,000 square feet of space (the "2005 Existing Improvements"), (ii) the planning, design, engineering and construction of an approximately 10,000 square foot addition to the 2005 Existing Improvements to house additional manufacturing space to be operated by the Company (the "2005 Improvements"); (iii) the acquisition and installation in and around the Land, 2005 Existing improvements 2005 Improvements of certain machinery, equipment and other items of tangible personal property (the "2005 Equipment"; and, together with the Land, 2005 Existing Improvements and the 2005 Improvements, the "2005 Facility"); (iv) the issuance by the Agency of its Industrial Development Revenue Bond (Roth Industries, Inc. Project), Series 2005A in the principal amount of \$5,053,750 and Industrial Development Revenue Bond (Roth Industries, Inc. Project), Series 2005B in the principal amount of \$937,500; and (v) the sale of the 2005 Facility to the Company pursuant to the terms of a certain Installment Sale Agreement (the "2005 ISA"); and

# DRAFT

WHEREAS, pursuant to and in accordance with a certain Project Authorizing Resolution adopted by the Agency on June 2, 2016 (the "2016 Project Authorizing Resolution"), the Agency previously undertook a certain project (the "2016 Project") for the benefit of the Company consisting of (i) the planning, design and construction of an approximately 27,500 square foot addition to the 2005 Facility (the "2016 Improvements") located on the Land for expanded manufacturing and warehousing operations by the Company; (ii) the acquisition and installation in and around the 2005 Facility and 2016 Improvements of certain machinery, equipment and other items of tangible personal property (the "2016 Equipment"; and, together with portions of the Land and the 2016 Improvements, the "2016 Facility"); and (iii) the undertaking of a straight-lease transaction in accordance with the Act whereby the Agency and Company entered into certain project documents (the "2016 Project Documents", each dated as of November 18, 2016, including (a) a Lease to Agency (the "Company Lease"), (b) a Lease Agreement (the "Lease Agreement"), (c) a Payment-in-lieu-of-Tax Agreement (the "PILOT Agreement"), and (d) related documents, all relating to certain defined portion of the Land, which has been identified as Tax Parcel No. 9-43-105.700, and hereinafter the "2016 Facility Land"); and

WHEREAS, the Company has submitted an application (the "Application") to the Agency requesting the Agency's assistance with a certain project (the "Project") consisting of: (i) the acquisition or retention by the Agency of a leasehold interest or other interest in a portion of the Land; (ii) the planning, design, construction and operation of (A) an approximately 6,700 square foot addition to house a certain blow molding machine and related equipment and (B) a 10,000 square foot storage warehouse facility (collectively, the "Improvements"); (iii) the acquisition of and installation in and around the Land and the Improvements by the Company of certain items of machinery, equipment and other tangible personal property (the "Equipment"; and, together with the Land and the Improvements, the "Facility") and (iv) entering into a straight lease transaction (within the meaning of subdivision (15) of Section 854 of the Act), pursuant to which the Agency will retain a leasehold interest in the Facility for a period of time and sublease such interest in the Facility back to the Company (the "Straight Lease Transaction"); and

WHEREAS, pursuant to and in accordance with Section 859-a of the Act, the Agency desires to schedule and conduct a public hearing (the "Public Hearing") relating to the Project and the proposed financial assistance contemplated by the Agency (collectively, the "Financial Assistance"), such Financial Assistance to include (i) a sales and use tax exemption for purchases and rentals related to the acquisition, construction and equipping of the Facility, (ii) mortgage recording tax exemption(s) in connection with one or more mortgages to be secured against the Facility, and (iii) a real property tax abatement structure to be memorialized within the PILOT Agreement; and

WHEREAS, it is contemplated that the Agency will conduct the Public Hearing and negotiate, but not execute, an agent and financial assistance and project agreement (the "Agent Agreement"), a lease agreement (the "Lease Agreement"), leaseback agreement (the "Leaseback Agreement") and PILOT Agreement (which may be memorialized as amendments to the 2016 Project Documents) pursuant to which the Agency would be willing to take or retain a leasehold



# DRAFT

interest in a portion of the Land, the Improvements, the Equipment and personal property constituting the Facility.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. The Company has presented an Application in a form acceptable to the Agency. Based upon the representations made by the Company to the Agency in the Company's Application, the Agency hereby finds and determines that:

(A) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and

(B) The Agency has the authority to take the actions contemplated herein under the Act; and

(C) The action to be taken by the Agency will induce the Company to develop the Project, thereby creating significant employment opportunities and critical investment in Jefferson County, New York, and otherwise furthering the purposes of the Agency as set forth in the Act; and

(D) The Project will not result in the removal of a civic, commercial, industrial, or manufacturing plant of the Company or any other proposed occupant of the Project from one area of the State of New York (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 located within the State; and the Agency hereby finds that, based on the Company's application, to the extent occupants are relocating from one plant or facility to another, the Project is reasonably necessary to discourage the Project occupants from removing such other plant or facility to a location outside the State and/or is reasonably necessary to preserve the competitive position of the Project occupants in their respective industries.

Section 2. The Chairman, Vice Chairman, and/or the Chief Executive Officer of the Agency are hereby authorized, on behalf of the Agency, to negotiate the terms of (A) a Lease Agreement, pursuant to which the Company shall lease its interest in the Facility to the Agency, (B) a related Leaseback Agreement, pursuant to which the Agency conveys its interest in the Facility back to the Company, (C) the PILOT Agreement, and (E) related documents; *provided*, the provisions of the rental payments under the Leaseback Agreement include payments of all costs incurred by the Agency arising out of or related to the Project and indemnification of the Agency by the Company for actions taken by the Company and/or claims arising out of or related to the Project.

Section 3. The Agency hereby authorizes the scheduling and conduct a public hearing in compliance with the Act.

## DRAFT

Section 4. Harris Beach PLLC, as Transaction Counsel for the Agency, is hereby authorized to work with counsel to the Company and others to prepare for submission to the Agency of all documents necessary to effect the foregoing authorizations.

Section 5. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required and to execute and deliver all such certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolutions and to cause compliance by the Agency with all of the terms, covenants and provisions of the documents executed for and on behalf of the Agency.

Section 6. These Resolutions shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

|                        | Yea | Nay | Absent | Abstain |
|------------------------|-----|-----|--------|---------|
| Robert E. Aliasso, Jr. | [ ] | [ ] | [ ]    | [ ]     |
| David J. Converse      | [ ] | [ ] | [ ]    | [ ]     |
| John Jennings          | [ ] | [ ] | [ ]    | [ ]     |
| William W. Johnson     | [ ] | [ ] | [ ]    | [ ]     |
| Lisa L'Huillier        | [ ] | [ ] | [ ]    | [ ]     |
| W. Edward Walldroff    | [ ] | [ ] | [ ]    | [ ]     |
| Paul J. Warneck        | [ ] | [ ] | [ ]    | [ ]     |

The Resolution was thereupon duly adopted.

STATE OF NEW YORK                    )  
COUNTY OF JEFFERSON                ) SS:

**DRAFT**

I, the undersigned (Acting) Secretary of Jefferson County Industrial Development Agency, DO HEREBY CERTIFY:

That I have compared the annexed extract of minutes of the meeting of Jefferson County Industrial Development Agency (the "Agency"), including the resolution contained therein, held on February 11, 2021, 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 such resolution set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

I FURTHER CERTIFY, that all members of said Agency had due notice of said meeting, that the meeting was in all respects duly held and that, pursuant to Article 7 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public, and that public notice of the time and place of said meeting was duly given in accordance with such Article 7.

I FURTHER CERTIFY, that there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY, that as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or modified.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Agency this \_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
(Acting) Secretary

[SEAL]

## ENVIRONMENTAL RESOLUTION

# DRAFT

A meeting of Jefferson County Industrial Development Agency (the "Agency") was convened in public session at the offices of the Agency located at 800 Starbuck Avenue in the City of Watertown, Jefferson County, New York on February 11, 2021, at 8:30 o'clock a.m., local time.

The meeting was called to order by the Chairman and, upon roll being called, the following members of the Agency were:

PRESENT:

ABSENT:

FOLLOWING PERSONS WERE ALSO PRESENT:

The following resolution was offered by \_\_\_\_\_, seconded by \_\_\_\_\_, to wit:

Resolution No. 02.11.2021.05

RESOLUTION DETERMINING THAT ACTION TOWARD THE ACQUISITION, CONSTRUCTION, INSTALLATION AND EQUIPPING OF A CERTAIN COMMERCIAL PROJECT FOR NY USLE CARTHAGE SR26 A LLC (THE "COMPANY") WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.

**WHEREAS**, Jefferson County Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 369 of the 1971 Laws of New York, as amended, constituting Section 892-e of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of commercial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and



# DRAFT

economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

**WHEREAS**, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more "projects" (as defined in the Act) or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

**WHEREAS**, the Company submitted an application to the Agency on or about November 2, 2020 and subsequently amended same (as amended, the "Application"), a copy of which was presented at this meeting and copies of which are on file at the office of the Agency, requesting that the Agency consider undertaking a project (the "Project") consisting of the following: (A)(1) the acquisition of a leasehold interest in a portion of a certain parcel of land located in the Town of Champion, to wit: tax parcel 76.00-2-42.1, Jefferson County, New York (the "Land"), and (2) construction, installation and equipping on the Land of a solar-powered electric generating facility, including all related equipment and improvements, with a total planned alternating current output capacity of 5.0 megawatts (the "Facility") to be operated by the Company (the Land and the Facility collectively referred to as the "Project Facility"); (B) the granting of certain "financial assistance" (within the meaning of section 854(14) of the Act) with respect to the foregoing, including exemptions from sales and use taxes and real property taxes for the Project Facility (but not including special district taxes) (collectively, the "Financial Assistance"); and (C) the sublease of the Project Facility back to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

**WHEREAS**, the Agency is a local agency pursuant to the New York State Environmental Quality Review Act (the "SEQR Act"), ECL Section 8-0101, *et seq.*, and implementing regulations, 6 NYCRR Part 617 (the "Regulations", and together with the SEQR Act, "SEQRA"); and

**WHEREAS**, undertaking the Project is an Action as defined by SEQRA; and

**WHEREAS**, the Town of Champion Planning Board (the "Town"), acting as lead agency, conducted an uncoordinated review of the Project, and although the Agency was not included as an involved agency in the review conducted by the Town, the Agency received and reviewed a complete copy of the Full Environmental Assessment Form reviewed by the Town and of the environmental review proceedings conducted by the Town (collectively, the "EAF"), a copy of which is on file at the office of the Agency and has been provided to the members of the Agency; and

**WHEREAS**, the Agency has considered the Project and the EAF, together with the Agency's knowledge of the area surrounding the Project, and such further information as is available to the Agency; and

# DRAFT

**WHEREAS**, the Agency has reviewed the classifications of actions contained in the Regulations; and

**WHEREAS**, the Agency has reviewed the proceedings conducted by the Town and the EAF and concurs with the findings of the Town that the Project will not result in a significant adverse environmental impact.

**NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:**

Section 1. The Project is an Unlisted Action pursuant to SEQRA.

Section 2. Although the Town, as lead agency, conducted an uncoordinated review and did not include the Agency as an involved agency, the Agency has reviewed the environmental review conducted by the Town and concurs with the findings of the Town. Accordingly, the Agency hereby adopts as its own the Town's environmental review and findings, and determines that the Project will not result in a significant adverse environmental impact.

Section 3. A Negative Declaration of significant adverse environmental impact shall be prepared, filed, published and distributed in accordance with 6 NYCRR Part 617.12.

Section 4. Preparation of an Environmental Impact Statement is not required.

Section 5. This resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

|                        |        |       |
|------------------------|--------|-------|
| David J. Converse      | VOTING | _____ |
| John Jennings          | VOTING | _____ |
| Robert E. Aliasso, Jr. | VOTING | _____ |
| W. Edward Walldroff    | VOTING | _____ |
| Paul Warneck           | VOTING | _____ |
| William Johnson        | VOTING | _____ |
| Lisa L'Huillier        | VOTING | _____ |

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK  
COUNTY OF JEFFERSON

)  
) ss.:

**DRAFT**

I, the undersigned Chief Executive Officer of the Jefferson County Industrial Development Agency (the "Agency"), DO HEREBY CERTIFY, that I have compared the foregoing extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on February 11, 2021, with the original thereof on file in my office, and that the same is a true and correct copy of such proceedings of the Agency and of such Resolution set forth therein and of the whole of said original so far as the same related to the subject matters therein referred to.

**I FURTHER CERTIFY** that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respect duly held; (C) pursuant to Article 7 of the Public Officers Law (the "Open Meetings Law"), said meeting was open to the general public and due notice of the time and place of said meeting was given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present through said meeting.

**I FURTHER CERTIFY** that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

**IN WITNESS WHEREOF**, I have hereunto set my hand and affixed the seal of the Agency this \_\_\_\_ day of \_\_\_\_\_, 2021.

---

David J. Zembiec  
Chief Executive Officer

**PRELIMINARY INDUCEMENT RESOLUTION DRAFT**

A meeting of Jefferson County Industrial Development Agency (the "Agency") was convened in public session at the offices of the Agency located at 800 Starbuck Avenue in the City of Watertown, Jefferson County, New York on February 11, 2021, at 8:30 o'clock a.m., local time.

The meeting was called to order by the Chairman and, upon roll being called, the following members of the Agency were:

PRESENT:

ABSENT:

FOLLOWING PERSONS WERE ALSO PRESENT:

The following resolution was offered by \_\_\_\_\_, seconded by \_\_\_\_\_, to wit:

Resolution No. 02.11.2021.06

RESOLUTION TAKING PRELIMINARY OFFICIAL ACTION  
TOWARD THE ACQUISITION, CONSTRUCTION, INSTALLATION,  
AND EQUIPPING OF A CERTAIN COMMERCIAL PROJECT FOR NY  
USLE CARTHAGE SR26 A LLC (THE "COMPANY") AND  
AUTHORIZING THE EXECUTION AND DELIVERY OF A  
PRELIMINARY AGREEMENT WITH THE COMPANY WITH  
RESPECT TO SUCH TRANSACTION.

**WHEREAS**, Jefferson County Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 369 of the 1971 Laws of New York, as amended, constituting Section 892-e of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of commercial facilities, among others, for the purpose of promoting, attracting and developing economically sound

commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

**WHEREAS**, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more "projects" (as defined in the Act) or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

**WHEREAS**, the Company submitted an application to the Agency on or about November 2, 2020 and subsequently amended same (as amended, the "Application"), a copy of which was presented at this meeting and copies of which are on file at the office of the Agency, requesting that the Agency consider undertaking a project (the "Project") consisting of the following: (A)(1) the acquisition of a leasehold interest in a portion of a certain parcel of land located in the Town of Champion, to wit: tax parcel 76.00-2-42.1, Jefferson County, New York (the "Land"), and (2) construction, installation and equipping on the Land of a solar-powered electric generating facility, including all related equipment and improvements, with a total planned alternating current output capacity of 5.0 megawatts (the "Facility") to be operated by the Company (the Land and the Facility collectively referred to as the "Project Facility"); (B) the granting of certain "financial assistance" (within the meaning of section 854(14) of the Act) with respect to the foregoing, including exemptions from sales and use taxes and real property taxes for the Project Facility (but not including special district taxes) (collectively, the "Financial Assistance"); and (C) the sublease of the Project Facility back to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

**WHEREAS**, the Agency has given due consideration to the Application and to representations by the Company that (A) the granting by the Agency of the Financial Assistance with respect to the Project will be an inducement to the Company to undertake the Project in Jefferson County, New York, (B) the completion of the Project Facility will not result in the removal of a plant or facility of the Company or any other proposed occupant of the Project Facility from one area of the State of New York to another area of the State of New York or in the abandonment of a plant or facility of any proposed occupant of the Project Facility (other than the Company) located in the State of New York and (C) the completion of the Project Facility will not result in the abandonment of one or more plants or facilities of the Company located in the State of New York; and

**WHEREAS**, the Agency desires to encourage the Company to preserve and advance the job opportunities, health, general prosperity and economic welfare of the people of Jefferson County, New York by undertaking the Project in Jefferson County, New York; and

**WHEREAS**, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the "SEQR Act"), and the regulations (the "Regulations") adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act,



# DRAFT

"SEQRA"), by resolution adopted by the members of the Agency on February 11, 2021 (the "SEQR Resolution"), the Agency has determined that the Project will not have a significant effect on the environment and, therefore, that an environmental impact statement is not required to be prepared with respect to the Project; and

**WHEREAS**, pursuant to the Act, any approval of the Project contained herein is contingent upon a determination by the members of the Agency to proceed with the Project following satisfaction of the public hearing and notice requirements and other procedural requirements contained in Section 859-a of the Act that relate to the Project; and

**WHEREAS**, although the resolution authorizing the Project has not yet been drafted for approval by the Agency, a preliminary agreement (the "Preliminary Agreement") relative to the proposed undertaking of the Project by the Agency has been presented for approval by the Agency.

**NOW, THEREFORE**, BE IT RESOLVED BY THE MEMBERS OF JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

**Section 1.** The Agency has reviewed the Application and based upon the representations made by the Company to the Agency in the Application and at this meeting and, based thereon, the Agency hereby accepts the Application and makes the following findings and determinations with respect to the Project:

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

(B) The completion of the Project Facility will not result in the removal of a plant or facility of the Company or any other proposed occupant of the Project Facility from one area of the State of New York to another area of the State of New York or in the abandonment of a plant or facility of any proposed occupant of the Project Facility (other than the Company) located in the State of New York, and the completion of the Project Facility will not result in the abandonment of one or more plants or facilities of the Company located in the State of New York; and

(C) The Project Facility will not constitute a project where facilities or property that are primarily used in making retail sales of goods or services to customers who personally visit such facilities constitute more than one-third of the total cost of the Project; and

(D) The granting of the Financial Assistance by the Agency with respect to the Project, through the granting of the various tax exemptions described in Section 2(E) of this Resolution, will promote the job opportunities, health, general prosperity and economic welfare of the inhabitants of Jefferson County, New York and the State of New York and improve their standard of living, and thereby serve the public purposes of the Act; and

(E) Upon compliance with the provisions of the Act, the Agency would then be authorized under the Act to undertake the Project in order to promote the job opportunities, health, general prosperity and economic welfare of the inhabitants of Jefferson County, New York and the State of New York and improve their standard of living.

**Section 2.** If, following full compliance with the requirements of the Act, including the public hearing requirements set forth in Section 859-a of the Act, the Agency adopts a future resolution (the "Future Resolution") determining to proceed with the Project and to grant the Financial Assistance with respect thereto and the Company complies with all conditions set forth in the Preliminary Agreement and the Future Resolution, then the Agency will (A) acquire a leasehold interest in the Project Facility from the Company pursuant to a lease agreement to be negotiated between the Agency and the Company (the "Company Lease"); (B) acquire an interest in machinery, equipment and personal property related to the Project Facility pursuant to a bill of sale from the Company to the Agency (the "Bill of Sale") or otherwise; (C) construct, install and equip the Project Facility on the Land; (D) sublease the Project Facility to the Company pursuant to a leaseback agreement (hereinafter the "Agency Lease", and together with the Company Lease and the Bill of Sale, the "Conveyance Documents") between the Agency and the Company whereby the Company will be obligated, among other things, to pay all costs incurred by the Agency with respect to the Project and/or the Project Facility, including all costs of operation and maintenance, all taxes and other governmental charges, any required payments in lieu of taxes, the administrative fee of the Agency, and the reasonable fees and expenses, including attorneys' fees, incurred by the Agency with respect to or in connection with the Project and/or the Project Facility, and (E) provide the Financial Assistance with respect to the Project, including exemptions from sales and use taxes and real property taxes for the Project Facility (but not including special district taxes), subject to the obligation of the Company to make payments in lieu of taxes ("PILOT Payments") with respect to the Project Facility, all as contemplated by the Preliminary Agreement and the Future Resolution.

**Section 3.** If the Agency adopts the Future Resolution, the undertaking and completing of the Project by the Agency, and the granting of the Financial Assistance with respect to the Project as contemplated by Section 2 of this Resolution, shall be subject to: (A) the determination by the members of the Agency to proceed with the Project following a determination by the members of the Agency that all requirements of SEQRA that relate to the Project have been fulfilled; (B) execution and delivery by the Company of the Preliminary Agreement, which sets forth certain conditions for the undertaking and completing of the Project by the Agency, and satisfaction by the Company of all the terms and conditions of the Preliminary Agreement applicable to the Company; (C) agreement by the Agency and the Company on mutually acceptable terms for the Conveyance Documents; (D) agreement between the Company and the Agency as to payment by the Company of PILOT Payments with respect to the Project Facility, together with the administrative fee of the Agency with respect to the Project; (E) a determination by the members of the Agency to proceed with the granting of the Financial Assistance with respect to the Project following a determination by the members of the Agency that the public hearing and notice requirements and other procedural requirements contained in Section 859-a of the Act

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have been complied with; and (F) the Agency's uniform tax exemption policy or if any portion of the Financial Assistance to be granted by the Agency with respect to the Project is not consistent with the Agency's uniform tax exemption policy, the Agency must follow the procedures for deviation from such policy set forth in Section 874(b) of the Act prior to granting such portion of the Financial Assistance.

**Section 4.** The form, terms and substance of the Preliminary Agreement (in substantially the form presented to this meeting and attached hereto) are in all respects approved, and the First Chairman or Vice Chairman, Executive Director or Deputy Executive Director of the Agency is hereby authorized, empowered and directed to execute and deliver said Preliminary Agreement in the name and on behalf of the Agency, said Preliminary Agreement to be substantially in the form presented to this meeting, with such changes therein as shall be approved by the officer executing same on behalf of the Agency, the execution thereof by such officer to constitute conclusive evidence of such officer's approval of any and all changes or revisions therein from the form now before this meeting.

**Section 5.** From and after the execution and delivery of the Preliminary Agreement, the officers, agents and employees of the Agency are hereby authorized, empowered and directed to proceed with the undertakings provided for therein on the part of the Agency and are further authorized to do all such acts and things and to execute all such documents as may be necessary or convenient to carry out and comply with the terms and provisions of the Preliminary Agreement as executed.

**Section 6.** Swartz Moses PLLC ("Agency Counsel") is hereby appointed counsel to the Agency with respect to all matters in connection with the Project. Agency Counsel is hereby authorized, at the expense of the Company, to work with the Company, counsel to the Company and others to prepare for submission to the Agency, all documents necessary to effect the transactions contemplated by this Resolution.

**Section 7.** The Agency hereby authorizes the Executive Director of the Agency, prior to the granting of any Financial Assistance with respect to the Project, after consultation with Agency Counsel, (A) to establish a time, date and place for a public hearing of the Agency to hear all persons interested in the location and nature of the Project Facility and the proposed Financial Assistance being contemplated by the Agency with respect to the Project, said public hearing to be held in the city, town or village where the Project Facility will be located, unless alternate arrangements are permitted or required by Executive Order; (B) to cause notice of such public hearing to be given to the public by publishing a notice of such hearing in a newspaper of general circulation available to residents of the governmental units where the Project Facility is to be located, such notice to comply with the requirements of Section 859-a of the Act and to be published no fewer than ten (10) days prior to the date established for such public hearing; (C) to cause notice of said public hearing to be given to the chief executive officer of the county and each city, town, village and school district in which the Project Facility is or is to be located no fewer than ten (10) days prior to the date established for said public hearing; (D) to conduct such public hearing; and (E) to cause a report of said public hearing fairly



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summarizing the views presented at said public hearing to be promptly prepared and cause copies of said report to be made available to the members of the Agency.

**Section 8.** The First Chairman, Vice Chairman and Executive Director of the Agency are 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 9.** This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

|                        |        |       |
|------------------------|--------|-------|
| David J. Converse      | VOTING | _____ |
| John Jennings          | VOTING | _____ |
| Robert E. Aliasso, Jr. | VOTING | _____ |
| W. Edward Walldroff    | VOTING | _____ |
| Paul Warneck           | VOTING | _____ |
| William Johnson        | VOTING | _____ |
| Lisa L'Huillier        | VOTING | _____ |

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK     )  
COUNTY OF JEFFERSON   ) ss.:

I, the undersigned Secretary of Jefferson County Industrial Development Agency (the "Agency"), DO HEREBY CERTIFY, that I have compared the foregoing extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on February 11, 2021 with the original thereof on file in my office, and that the same is a true and correct copy of such proceedings of the Agency and of such Resolution set forth therein and of the whole of said original so far as the same related to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respect duly held; (C) pursuant to Article 7 of the Public Officers Law (the "Open Meetings Law"), said meeting was open to the general public and due notice of the time and place of said meeting was given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present through said meeting.

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I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this \_\_\_\_ day of \_\_\_\_\_, 2021.

---

David J. Zembiec, Chief Executive Officer

## PRELIMINARY AGREEMENT

# DRAFT

THIS PRELIMINARY AGREEMENT made as of February 11, 2021 between **JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY** (the "Agency"), a public benefit corporation organized and existing under the laws of the State of New York, and **NY USLE CARTHAGE SR26 A LLC** (the "Company"), a limited liability company, organized and existing under the laws of the State of Delaware;

### WITNESSETH:

**WHEREAS**, the Agency is authorized and empowered by the provisions of the New York State Industrial Development Agency Act, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of the State of New York, as amended (the "Enabling Act") and Chapter 369 of the 1971 Laws of the State of New York, as amended, constituting Section 892-e of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to undertake the acquisition, construction, reconstruction and installation of one or more "projects" (as said quoted term is defined in the Act) and to lease (with an obligation to purchase) or sell the same upon such terms and conditions as the Agency may deem advisable; and

**WHEREAS**, the purposes of the Act are to promote industry and develop trade and thereby advance the job opportunities, health, general prosperity and economic welfare of the inhabitants of Jefferson County, New York and the State of New York, to improve their prosperity and standard of living and to prevent unemployment and economic deterioration; and

**WHEREAS**, by resolution adopted by the members of the Agency on February 11, 2021 (the "Preliminary Inducement Resolution"), the Agency made a preliminary determination, subject to numerous conditions, to accept an application (the "Application") from the Company requesting that the Agency undertake a (the "Project") consisting of the following: (A)(1) the acquisition of a leasehold interest in a portion of a certain parcel of land located in the Town of Champion, to wit: tax parcel 76.00-2-42.1, Jefferson County, New York (the "Land"), and (2) construction, installation and equipping on the Land of a solar-powered electric generating facility, including all related equipment and improvements, with a total planned alternating current output capacity of 5.0 megawatts (the "Facility") to be operated by the Company (the Land and the Facility collectively referred to as the "Project Facility"); (B) the granting of certain "financial assistance" (within the meaning of section 854(14) of the Act) with respect to the foregoing, including exemptions from sales and use taxes and real property taxes for the Project Facility (but not including special district taxes) (collectively, the "Financial Assistance"); and (C) the sublease of the Project Facility back to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

**WHEREAS**, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the "SEQR Act"), and the regulations (the "Regulations") adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, "SEORA"), by resolution adopted by

the members of the Agency on February 11, 2021 (the "SEQR Resolution"), the Agency has determined that the Project will not have a significant effect on the environment and, therefore, that an environmental impact statement is not required to be prepared with respect to the Project;

**NOW, THEREFORE**, in consideration of the mutual covenants contained herein, the Agency and the Company agree as follows:

**Article 1. Representations.**

Among the representations which have resulted in the execution of this Preliminary Agreement are the following:

**Section 1.01.** The Company hereby represents to the Agency that:

(A) The completion of the Project Facility will not result in the removal of a plant or facility of the Company or any other proposed occupant of the Project Facility from one area of the State of New York to another area of the State of New York or in the abandonment of a plant or facility of any proposed occupant of the Project Facility (other than the Company) located in the State of New York and, although the completion of the Project Facility may result in the abandonment of one or more plants or facilities of the Company located in the State of New York, such abandonment is reasonably necessary to preserve the competitive position of the Company in its industry.

(B) The Project Facility will not constitute a project where facilities or property that are primarily used in making retail sales of goods or services to customers who personally visit such facilities constitute more than one-third of the total cost of the Project Facility.

(C) The Project site is located entirely within the boundaries of Jefferson County, New York.

(D) The granting of the Financial Assistance by the Agency with respect to the Project, through the granting of certain exemptions from taxation with respect to the Project, as further described in Section 2(E) of the Preliminary Inducement Resolution, will encourage and assist the Company in locating the Project Facility in Jefferson County, New York, and thereby serve the public purposes of the Act by promoting job opportunities in Jefferson County, New York.

(E) It is estimated at the present time that the costs of the planning, development, acquisition, construction, and installation of the Project Facility (collectively, the "Project Costs") will be approximately \$10,236,319.

(F) The Company will ensure that the acquisition, construction, installation and operation of the Project Facility will comply with all applicable

federal, state and local laws, ordinances, rules and regulations (the applicability of same to be determined both as if the Agency were the owner of the Project Facility and as if the Company and not the Agency were the owner of the Project Facility), and the Company will obtain all necessary approvals and permits required thereunder.

**Section 1.02.** By the Preliminary Inducement Resolution, the Agency has approved the execution of this Preliminary Agreement. The Agency intends this Preliminary Agreement to constitute its official binding commitment, subject to the terms hereof, to accept the Application; *provided, however*, that this Preliminary Agreement shall not commit the Agency to undertake the Project or to grant to the Company any Financial Assistance with respect to the Project unless and until the Agency shall decide to undertake the Project and to grant such Financial Assistance following a determination by the Agency that the procedural requirements of Section 859-a of the Act that relate to the Project have been fulfilled.

**Section 1.03.** Pursuant to SEQRA, the Agency has made a determination that the Project will not have a "significant effect on the environment" (within the meaning of SEQRA) and, therefore, that an environmental impact statement is not required to be prepared with respect to the Project.

**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:

**Section 2.01.** If, following full compliance with the requirements of the Act, including the public hearing requirements set forth in Section 859-a of the Act, the Agency adopts a future resolution (the "*Future Resolution*") determining to proceed with the Project and to grant the Financial Assistance with respect thereto and the Company complies with all conditions set forth in this Preliminary Agreement and the Future Resolution, then the Agency will undertake the Project and will grant the Financial Assistance relating to the Project; *provided, however*, that the foregoing obligation of the Agency to undertake the Project and to grant the Financial Assistance relating to the Project is subject to the conditions hereinafter contained in this Preliminary Agreement including, but not limited to, the following conditions:

(A) A leasehold interest in the Project Facility shall be acquired by the Agency from the Company pursuant to a lease agreement to be negotiated between the Agency and the Company (hereinafter, the "*Company Lease*") which contains terms mutually acceptable to the Agency and the Company for the conveyance of a leasehold interest in the Project Facility to the Agency. Any machinery, equipment and personal property related to the Project Facility acquired by the Company will be acquired by the Company as agent of the Agency, an interest therein shall be conveyed to the Agency by a bill of sale from the Company to the Agency ("*Bill of Sale*") or otherwise, and such property shall



become subject to the terms of the Agency Lease (as hereinafter defined). The lease of the Project Facility by the Agency to the Company shall be effected by a lease agreement (hereinafter, the "Agency Lease") between the Agency and the Company. The Company Lease, the Bill of Sale, the Agency Lease, and any other documents to be executed by the Agency in connection with the Project (collectively, the "Project Documents") shall, in all respects, comply with the requirements of, and limitations contained in, the Act and shall further specifically provide that the obligations of the Agency thereunder are payable solely from the revenues derived by the Agency from the sale, lease or other disposition of the Project Facility; that the obligations of the Agency thereunder shall not be a general obligation of the Agency and shall not constitute an indebtedness or pledge of the general credit of the Agency; that no beneficiary of the obligations of the Agency thereunder shall have the right to compel any exercise of the taxing power of the Agency (if any), or of the State of New York or any political subdivision thereof, including Jefferson County, New York; and that the obligations of the Agency thereunder shall not create a debt or loan of credit of Jefferson County, New York or the State of New York, but such obligations shall be a special obligation of the Agency secured and payable solely as provided in the Company Lease or the Agency Lease, as the case may be, and such facts shall be plainly stated in each of such documents;

(B) The Company shall have executed the Agency Lease between the Agency and the Company, the terms of which shall be acceptable in form and content to the Company and the Agency, and pursuant to which, among other things, the Company shall be obligated to pay all costs incurred by the Agency with respect to the Project and/or the Project Facility, including all costs of operation and maintenance of the Project Facility, all taxes and other governmental charges, any required payments in lieu of taxes, the administrative fee of the Agency, and the reasonable fees and expenses, including attorneys' fees, incurred by the Agency with respect to or in connection with the Project and/or the Project Facility;

(C) No event shall have occurred which constitutes (or which after notice or lapse of time or both would constitute) an event of default under the Agency Lease;

(D) The Company shall provide the Agency with all information and statements which may be required by the Agency in order to facilitate compliance by the Agency with SEQRA;

(E) The Agency shall receive, in form and substance satisfactory to the Agency, such rulings, approvals, resolutions, consents, certificates, opinions of counsel and other instruments and proceedings as shall be specified by the Agency in connection with the Project and the various documents to be executed in connection with the Project, such rulings, approvals, resolutions, consents, certificates, opinions of counsel and other instruments and proceedings to be

obtained from counsel to the Agency and such other governmental and nongovernmental agencies and entities as may have or assert competence or jurisdiction over or interest in matters pertaining thereto;

(F) Agreements shall be made as to (1) payments by the Company to or on behalf of the Agency of amounts in lieu of real property taxes, (2) indemnity by the Company of the Agency and the members and officers of the Agency, and (3) payment by the Company of the expenses incurred by the Agency in connection with the Project (including attorneys' fees and out-of-pocket expenses) and the administrative fee of the Agency, and such agreements shall be satisfactory in form and substance to the Agency;

(G) The Agency shall have made a determination to proceed with the granting of the Financial Assistance following a determination by the Agency that all the public hearing and notice requirements and other procedural requirements of Section 859-a of the Act that relate to the Project have been complied with;

(H) If any portion of the Financial Assistance to be granted by the Agency with respect to the Project is not consistent with the Agency's uniform tax exemption policy, the Agency must follow the procedures for deviation from such policy set forth in Section 874(b) of the Act prior to granting such portion of the Financial Assistance.

**Section 2.02.** The obligations of the Agency pursuant to this Preliminary Agreement are subject to the conditions elsewhere contained in this Preliminary Agreement and to the additional condition that the Agency shall not undertake the Project, nor grant any Financial Assistance with respect to the Project, unless and until the Agency shall have complied with the provisions of SEQRA.

**Section 2.03.** Subject to the conditions stated in this Preliminary Agreement, the Agency, from time to time, will adopt, or cause to be adopted, such proceedings and authorize the execution of such documents as may be necessary or advisable for: (A) the authorization, undertaking and completion of the Project; and (B) the lease of the Project Facility to the Company, all as shall be authorized by law and be mutually satisfactory to the Agency and the Company.

**Section 2.04.** 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.

**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:

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**Section 3.01.** Contemporaneously with the execution and delivery by the Agency of the Company Lease, the Company will enter into the Agency Lease with the Agency containing the terms and conditions described in Section 2.01 hereof. The Company agrees that the Company will pay all of the Project Costs and shall not be entitled to any reimbursement for any such payment from the Agency. THE AGENCY MAKES NO WARRANTY, EITHER EXPRESS OR IMPLIED, THAT THE PROJECT FACILITY WILL BE SUITABLE FOR THE COMPANY'S PURPOSES OR NEEDS.

**Section 3.02.** The Company hereby agrees to indemnify and hold the Agency (and its members, officers, agents and employees) harmless from all losses, expenses, claims and liabilities arising out of or based on labor, services, materials and supplies, including equipment, ordered or used in connection with the acquisition, construction and installation of the Project Facility, including any expenses incurred by the Agency (and its members, officers, agents and employees) in defending any claims, suits or actions which may arise as a result of any of the foregoing. The Company shall not permit to stand, and will, at its own expense, take steps reasonably necessary to remove, any mechanic's or other liens against the Project Facility for labor or material furnished in connection with the acquisition, construction and installation of the Project Facility.

**Section 3.03.** The Company hereby agrees to indemnify, defend and hold the Agency (and its members, officers, agents and employees) harmless from any and all (A) claims and liabilities for the 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 and/or the Project Facility, including any expenses incurred by the Agency (and its members, officers, agents and employees) in defending any claims, suits or actions which may arise as a result of the foregoing; and (B) claims and liability arising from or expenses incurred in connection with the Project or the Agency's acquisition, construction and installation, owning, and/or leasing of the Project Facility, including all causes of action and attorneys' fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. The Company shall include the Agency (and its members, officers, agents, and employees) as a named insured under all public liability insurance policies obtained by the Company with respect to the Project.

**Section 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.

**Section 3.05.** If the Company fails to conclude or consummate the necessary negotiations associated with the Project, or fails, within a reasonable or specified period of time, to take reasonable proper or requested action, or withdraws, abandons, cancels, or neglects the Application or the Project, or otherwise fails to execute and deliver the Project Documents, then, upon the presentation of an invoice, the Company shall pay to the Agency, its agents, or assigns all actual costs incurred by the Agency in furtherance of the Application, the Project, and the transaction contemplated by this Preliminary



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Agreement, up to that date and time, including, but not limited to, attorneys' fees of the Agency's general counsel and the Agency's transaction counsel.

**Article 4. General Provisions.**

**Section 4.01.** All commitments of the Agency under Article 2 hereof and of the Company under Article 3 hereof (excepting the obligations of the Company set forth in Sections 3.02 and 3.03 hereof, which shall survive the termination of this Preliminary Agreement) are subject to the condition that the following events shall have occurred not later than two (2) years from the date hereof (or such other date as shall be mutually satisfactory to the Agency and the Company):

(A) The Agency and the Company shall have agreed on mutually acceptable terms and conditions of the Company Lease, the Agency Lease and any other agreements referred to in Articles 2 or 3 hereof;

(B) All necessary governmental approvals shall be obtained; and

(C) All other conditions expressed in this Preliminary Agreement shall have been satisfied.

**Section 4.02.** Subject to the terms and conditions of Section 4.03 hereof, the Company shall have the right to unilaterally cancel this Preliminary Agreement at any time prior to the time that the Company Lease is signed by the Agency upon thirty (30) days' prior written notice of cancellation delivered to the Agency at the address set forth in Section 4.04 hereof.

**Section 4.03.** If the events set forth in Section 4.01 hereof do not take place within the time set forth in said Section 4.01, or any extension thereof, or if the Company exercises its right of cancellation as set forth in Section 4.02 hereof, the Company agrees that: (A) it will promptly reimburse the Agency (and its officers, members, agents or employees) for all reasonable and necessary direct out-of-pocket expenses (including legal fees and expenses) which the Agency (and its officers, members, agents or employees) may incur with respect to the execution of this Preliminary Agreement and the performance of its obligations hereunder; and (B) the obligations of the Company set forth in Section 3.02 and 3.03 hereof shall survive the termination of this Preliminary Agreement and shall remain in full force and effect until the expiration of the period stated in the applicable statute of limitations during which a claim, cause of action or prosecution relating to the matters described therein may be brought and payment in full or the satisfaction of such claim, cause of action or prosecution and the payment of all expenses and charges incurred by the Agency (and its officers, members, agents or employees) relating to the enforcement of the provisions therein stated.

**Section 4.04.** (A) All notices and other communications hereunder shall be in writing and shall be deemed given when mailed by United States registered or certified mail, postage prepaid, return receipt requested, addressed as follows:

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(1) To the Agency:

Jefferson County Industrial Development Agency  
800 Starbuck Avenue  
Watertown, New York 13601  
Attention: David J. Zembiec

With a copy to:

Matthew S. Moses, Esq.  
Swartz Moses PLLC  
1583 East Genesee Street  
Skaneateles, NY 13152

(2) To the Company:

NY USLE Carthage SR26 A LLC  
Attn: Daniel Gulick  
600 Third Avenue, 38<sup>th</sup> Floor  
New York, NY 10016

With a copy to:

Genevieve M. Trigg, Esq.  
Barclay Damon LLP  
80 State Street  
Albany, NY 12207

(B) The Agency and the Company may, by notice given hereunder, designate any further or different addresses or modes of communication to which subsequent notices, certificates and other communications shall be sent.

**Section 4.05.** All covenants and agreements herein contained by or on behalf of the Agency and the Company shall bind and inure to the benefit of the respective successors and assigns of the Agency and the Company whether so expressed or not.

**Section 4.06.** The obligations and agreements of the Agency contained herein shall be deemed the obligations and agreements of the Agency, and not of any member, officer, agent or employee of the Agency in his individual capacity, and the members, officers, agents and employees of the Agency shall not be liable personally hereon or be subject to any personal liability or accountability base upon or in respect hereof or of any transaction contemplated hereby. The obligations and agreements of the Agency contained herein shall not constitute or give rise to an obligation of the State of New York or of Jefferson County, New York and neither the State of New York nor Jefferson County, New York shall be liable thereon and, further, such obligations and agreements

shall not constitute or give rise to a general obligation of the Agency but, rather, shall constitute limited obligations of the Agency payable solely from the revenues of the Agency derived and to be derived from the lease, sale or other disposition of the Project Facility.

**Section 4.07.** Notwithstanding any provision of this Preliminary Agreement to the contrary, the Agency shall not be obligated to take any action pursuant to any provision hereof unless (A) the Agency has been requested to do so in writing by the Company; and (B) if compliance with such request is reasonably expected to result in the incurrence by the Agency (or any member, officer, agent or employee of the Agency) of any liability, fees, expenses or other costs, the Agency shall have received from the Company security or indemnity satisfactory to the Agency for protection against all such liability and for the reimbursement of all such fees, expenses and other costs.

**Section 4.08.** This Preliminary Agreement may be executed in any number of counterparts each of which shall be deemed an original and all of which taken together shall constitute one and the same instrument. This Preliminary Agreement, and any amendments hereto or, to the extent signed and delivered by means of a facsimile machine or electronic transmission in portable document format (PDF), shall be treated in all manner and respects as an original agreement and shall be considered to have the same binding legal effects as if it were the original signed version thereof delivered in person. No party shall raise the use of a facsimile machine or electronic transmission in PDF to deliver a signature or the fact that any signature was transmitted or communicated through such means as a defense to the formation of an agreement and each party forever waives any such defense.

IN WITNESS WHEREOF, the parties hereto have entered into this Preliminary Agreement as of the day and date first written above.

**JEFFERSON COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY**

By: \_\_\_\_\_

David J. Zembiec, Chief Executive Officer

**NY USLE CARTHAGE SR26 A LLC**

By: \_\_\_\_\_

Authorized Officer

## ENVIRONMENTAL RESOLUTION

**DRAFT**

A meeting of Jefferson County Industrial Development Agency (the "Agency") was convened in public session at the offices of the Agency located at 800 Starbuck Avenue in the City of Watertown, Jefferson County, New York on February 11, 2021, at 8:30 o'clock a.m., local time.

The meeting was called to order by the Chairman and, upon roll being called, the following members of the Agency were:

PRESENT:

ABSENT:

FOLLOWING PERSONS WERE ALSO PRESENT:

The following resolution was offered by \_\_\_\_\_, seconded by \_\_\_\_\_, to wit:

Resolution No. 02.11.2021.07

RESOLUTION DETERMINING THAT ACTION TOWARD THE ACQUISITION, CONSTRUCTION, INSTALLATION AND EQUIPPING OF A CERTAIN COMMERCIAL PROJECT FOR NY USLE CARTHAGE SR26 B LLC (THE "COMPANY") WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.

**WHEREAS**, Jefferson County Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 369 of the 1971 Laws of New York, as amended, constituting Section 892-e of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of commercial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and

economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

**WHEREAS**, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more "projects" (as defined in the Act) or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

**WHEREAS**, the Company submitted an application to the Agency on or about November 2, 2020 and subsequently amended same (as amended, the "Application"), a copy of which was presented at this meeting and copies of which are on file at the office of the Agency, requesting that the Agency consider undertaking a project (the "Project") consisting of the following: (A)(1) the acquisition of a leasehold interest in a portion of a certain parcel of land located in the Town of Champion, to wit: tax parcel 76.00-2-42.1, Jefferson County, New York (the "Land"), and (2) construction, installation and equipping on the Land of a solar-powered electric generating facility, including all related equipment and improvements, with a total planned alternating current output capacity of 3.3 megawatts (the "Facility") to be operated by the Company (the Land and the Facility collectively referred to as the "Project Facility"); (B) the granting of certain "financial assistance" (within the meaning of section 854(14) of the Act) with respect to the foregoing, including exemptions from sales and use taxes and real property taxes for the Project Facility (but not including special district taxes) (collectively, the "Financial Assistance"); and (C) the sublease of the Project Facility back to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

**WHEREAS**, the Agency is a local agency pursuant to the New York State Environmental Quality Review Act (the "SEQR Act"), ECL Section 8-0101, *et seq.*, and implementing regulations, 6 NYCRR Part 617 (the "Regulations", and together with the SEQR Act, "SEQRA"); and

**WHEREAS**, undertaking the Project is an Action as defined by SEQRA; and

**WHEREAS**, the Town of Champion Planning Board (the "Town"), acting as lead agency, conducted an uncoordinated review of the Project, and although the Agency was not included as an involved agency in the review conducted by the Town, the Agency received and reviewed a complete copy of the Full Environmental Assessment Form reviewed by the Town and of the environmental review proceedings conducted by the Town (collectively, the "EAF"), a copy of which is on file at the office of the Agency and has been provided to the members of the Agency; and

**WHEREAS**, the Agency has considered the Project and the EAF, together with the Agency's knowledge of the area surrounding the Project, and such further information as is available to the Agency; and



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**WHEREAS**, the Agency has reviewed the classifications of actions contained in the Regulations; and

**WHEREAS**, the Agency has reviewed the proceedings conducted by the Town and the EAF and concurs with the findings of the Town that the Project will not result in a significant adverse environmental impact.

**NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:**

Section 1. The Project is an Unlisted Action pursuant to SEQRA.

Section 2. Although the Town, as lead agency, conducted an uncoordinated review and did not include the Agency as an involved agency, the Agency has reviewed the environmental review conducted by the Town and concurs with the findings of the Town. Accordingly, the Agency hereby adopts as its own the Town's environmental review and findings, and determines that the Project will not result in a significant adverse environmental impact.

Section 3. A Negative Declaration of significant adverse environmental impact shall be prepared, filed, published and distributed in accordance with 6 NYCRR Part 617.12.

Section 4. Preparation of an Environmental Impact Statement is not required.

Section 5. This resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

|                        |        |       |
|------------------------|--------|-------|
| David J. Converse      | VOTING | _____ |
| John Jennings          | VOTING | _____ |
| Robert E. Aliasso, Jr. | VOTING | _____ |
| W. Edward Walldroff    | VOTING | _____ |
| Paul Warneck           | VOTING | _____ |
| William Johnson        | VOTING | _____ |
| Lisa L'Huillier        | VOTING | _____ |

The foregoing Resolution was thereupon declared duly adopted.

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STATE OF NEW YORK                    )  
COUNTY OF JEFFERSON            ) ss.:

I, the undersigned Chief Executive Officer of the Jefferson County Industrial Development Agency (the "Agency"), DO HEREBY CERTIFY, that I have compared the foregoing extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on February 11, 2021, with the original thereof on file in my office, and that the same is a true and correct copy of such proceedings of the Agency and of such Resolution set forth therein and of the whole of said original so far as the same related to the subject matters therein referred to.

**I FURTHER CERTIFY** that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respect duly held; (C) pursuant to Article 7 of the Public Officers Law (the "Open Meetings Law"), said meeting was open to the general public and due notice of the time and place of said meeting was given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present through said meeting.

**I FURTHER CERTIFY** that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

**IN WITNESS WHEREOF**, I have hereunto set my hand and affixed the seal of the Agency this \_\_\_\_ day of \_\_\_\_\_, 2021.

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David J. Zembiec  
Chief Executive Officer

**PRELIMINARY INDUCEMENT RESOLUTION** **DRAFT**

A meeting of Jefferson County Industrial Development Agency (the "Agency") was convened in public session at the offices of the Agency located at 800 Starbuck Avenue in the City of Watertown, Jefferson County, New York on February 11, 2021, at 8:30 o'clock a.m., local time.

The meeting was called to order by the Chairman and, upon roll being called, the following members of the Agency were:

PRESENT:

ABSENT:

FOLLOWING PERSONS WERE ALSO PRESENT:

The following resolution was offered by \_\_\_\_\_, seconded by \_\_\_\_\_, to wit:

Resolution No. 02.11.2021.08

RESOLUTION TAKING PRELIMINARY OFFICIAL ACTION  
TOWARD THE ACQUISITION, CONSTRUCTION, INSTALLATION,  
AND EQUIPPING OF A CERTAIN COMMERCIAL PROJECT FOR NY  
USLE CARTHAGE SR26 B LLC (THE "COMPANY") AND  
AUTHORIZING THE EXECUTION AND DELIVERY OF A  
PRELIMINARY AGREEMENT WITH THE COMPANY WITH  
RESPECT TO SUCH TRANSACTION.

**WHEREAS**, Jefferson County Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 369 of the 1971 Laws of New York, as amended, constituting Section 892-e of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of commercial facilities, among others, for the purpose of promoting, attracting and developing economically sound



commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

**WHEREAS**, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more "projects" (as defined in the Act) or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

**WHEREAS**, the Company submitted an application to the Agency on or about November 2, 2020 and subsequently amended same (as amended, the "Application"), a copy of which was presented at this meeting and copies of which are on file at the office of the Agency, requesting that the Agency consider undertaking a project (the "Project") consisting of the following: (A)(1) the acquisition of a leasehold interest in a portion of a certain parcel of land located in the Town of Champion, to wit: tax parcel 76.00-2-42.1, Jefferson County, New York (the "Land"), and (2) construction, installation and equipping on the Land of a solar-powered electric generating facility, including all related equipment and improvements, with a total planned alternating current output capacity of 3.3 megawatts (the "Facility") to be operated by the Company (the Land and the Facility collectively referred to as the "Project Facility"); (B) the granting of certain "financial assistance" (within the meaning of section 854(14) of the Act) with respect to the foregoing, including exemptions from sales and use taxes and real property taxes for the Project Facility (but not including special district taxes) (collectively, the "Financial Assistance"); and (C) the sublease of the Project Facility back to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

**WHEREAS**, the Agency has given due consideration to the Application and to representations by the Company that (A) the granting by the Agency of the Financial Assistance with respect to the Project will be an inducement to the Company to undertake the Project in Jefferson County, New York, (B) the completion of the Project Facility will not result in the removal of a plant or facility of the Company or any other proposed occupant of the Project Facility from one area of the State of New York to another area of the State of New York or in the abandonment of a plant or facility of any proposed occupant of the Project Facility (other than the Company) located in the State of New York and (C) the completion of the Project Facility will not result in the abandonment of one or more plants or facilities of the Company located in the State of New York; and

**WHEREAS**, the Agency desires to encourage the Company to preserve and advance the job opportunities, health, general prosperity and economic welfare of the people of Jefferson County, New York by undertaking the Project in Jefferson County, New York; and

**WHEREAS**, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the "SEQR Act"), and the regulations (the "Regulations") adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act,

"SEQRA"), by resolution adopted by the members of the Agency on February 11, 2021 (the "SEQR Resolution"), the Agency has determined that the Project will not have a significant effect on the environment and, therefore, that an environmental impact statement is not required to be prepared with respect to the Project; and

**WHEREAS**, pursuant to the Act, any approval of the Project contained herein is contingent upon a determination by the members of the Agency to proceed with the Project following satisfaction of the public hearing and notice requirements and other procedural requirements contained in Section 859-a of the Act that relate to the Project; and

**WHEREAS**, although the resolution authorizing the Project has not yet been drafted for approval by the Agency, a preliminary agreement (the "Preliminary Agreement") relative to the proposed undertaking of the Project by the Agency has been presented for approval by the Agency.

**NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:**

**Section 1.** The Agency has reviewed the Application and based upon the representations made by the Company to the Agency in the Application and at this meeting and, based thereon, the Agency hereby accepts the Application and makes the following findings and determinations with respect to the Project:

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

(B) The completion of the Project Facility will not result in the removal of a plant or facility of the Company or any other proposed occupant of the Project Facility from one area of the State of New York to another area of the State of New York or in the abandonment of a plant or facility of any proposed occupant of the Project Facility (other than the Company) located in the State of New York, and the completion of the Project Facility will not result in the abandonment of one or more plants or facilities of the Company located in the State of New York; and

(C) The Project Facility will not constitute a project where facilities or property that are primarily used in making retail sales of goods or services to customers who personally visit such facilities constitute more than one-third of the total cost of the Project; and

(D) The granting of the Financial Assistance by the Agency with respect to the Project, through the granting of the various tax exemptions described in Section 2(E) of this Resolution, will promote the job opportunities, health, general prosperity and economic welfare of the inhabitants of Jefferson County, New York and the State of New York and improve their standard of living, and thereby serve the public purposes of the Act; and

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(E) Upon compliance with the provisions of the Act, the Agency would then be authorized under the Act to undertake the Project in order to promote the job opportunities, health, general prosperity and economic welfare of the inhabitants of Jefferson County, New York and the State of New York and improve their standard of living.

**Section 2.** If, following full compliance with the requirements of the Act, including the public hearing requirements set forth in Section 859-a of the Act, the Agency adopts a future resolution (the "Future Resolution") determining to proceed with the Project and to grant the Financial Assistance with respect thereto and the Company complies with all conditions set forth in the Preliminary Agreement and the Future Resolution, then the Agency will (A) acquire a leasehold interest in the Project Facility from the Company pursuant to a lease agreement to be negotiated between the Agency and the Company (the "Company Lease"); (B) acquire an interest in machinery, equipment and personal property related to the Project Facility pursuant to a bill of sale from the Company to the Agency (the "Bill of Sale") or otherwise; (C) construct, install and equip the Project Facility on the Land; (D) sublease the Project Facility to the Company pursuant to a leaseback agreement (hereinafter the "Agency Lease", and together with the Company Lease and the Bill of Sale, the "Conveyance Documents") between the Agency and the Company whereby the Company will be obligated, among other things, to pay all costs incurred by the Agency with respect to the Project and/or the Project Facility, including all costs of operation and maintenance, all taxes and other governmental charges, any required payments in lieu of taxes, the administrative fee of the Agency, and the reasonable fees and expenses, including attorneys' fees, incurred by the Agency with respect to or in connection with the Project and/or the Project Facility, and (E) provide the Financial Assistance with respect to the Project, including exemptions from sales and use taxes and real property taxes for the Project Facility (but not including special district taxes), subject to the obligation of the Company to make payments in lieu of taxes ("PILOT Payments") with respect to the Project Facility, all as contemplated by the Preliminary Agreement and the Future Resolution.

**Section 3.** If the Agency adopts the Future Resolution, the undertaking and completing of the Project by the Agency, and the granting of the Financial Assistance with respect to the Project as contemplated by Section 2 of this Resolution, shall be subject to: (A) the determination by the members of the Agency to proceed with the Project following a determination by the members of the Agency that all requirements of SEQRA that relate to the Project have been fulfilled; (B) execution and delivery by the Company of the Preliminary Agreement, which sets forth certain conditions for the undertaking and completing of the Project by the Agency, and satisfaction by the Company of all the terms and conditions of the Preliminary Agreement applicable to the Company; (C) agreement by the Agency and the Company on mutually acceptable terms for the Conveyance Documents; (D) agreement between the Company and the Agency as to payment by the Company of PILOT Payments with respect to the Project Facility, together with the administrative fee of the Agency with respect to the Project; (E) a determination by the members of the Agency to proceed with the granting of the Financial Assistance with respect to the Project following a determination by the members of the Agency that the public hearing and notice requirements and other procedural requirements contained in Section 859-a of the Act



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have been complied with; and (F) the Agency's uniform tax exemption policy or if any portion of the Financial Assistance to be granted by the Agency with respect to the Project is not consistent with the Agency's uniform tax exemption policy, the Agency must follow the procedures for deviation from such policy set forth in Section 874(b) of the Act prior to granting such portion of the Financial Assistance.

**Section 4.** The form, terms and substance of the Preliminary Agreement (in substantially the form presented to this meeting and attached hereto) are in all respects approved, and the First Chairman or Vice Chairman, Executive Director or Deputy Executive Director of the Agency is hereby authorized, empowered and directed to execute and deliver said Preliminary Agreement in the name and on behalf of the Agency, said Preliminary Agreement to be substantially in the form presented to this meeting, with such changes therein as shall be approved by the officer executing same on behalf of the Agency, the execution thereof by such officer to constitute conclusive evidence of such officer's approval of any and all changes or revisions therein from the form now before this meeting.

**Section 5.** From and after the execution and delivery of the Preliminary Agreement, the officers, agents and employees of the Agency are hereby authorized, empowered and directed to proceed with the undertakings provided for therein on the part of the Agency and are further authorized to do all such acts and things and to execute all such documents as may be necessary or convenient to carry out and comply with the terms and provisions of the Preliminary Agreement as executed.

**Section 6.** Swartz Moses PLLC ("Agency Counsel") is hereby appointed counsel to the Agency with respect to all matters in connection with the Project. Agency Counsel is hereby authorized, at the expense of the Company, to work with the Company, counsel to the Company and others to prepare for submission to the Agency, all documents necessary to effect the transactions contemplated by this Resolution.

**Section 7.** The Agency hereby authorizes the Executive Director of the Agency, prior to the granting of any Financial Assistance with respect to the Project, after consultation with Agency Counsel, (A) to establish a time, date and place for a public hearing of the Agency to hear all persons interested in the location and nature of the Project Facility and the proposed Financial Assistance being contemplated by the Agency with respect to the Project, said public hearing to be held in the city, town or village where the Project Facility will be located, unless alternate arrangements are permitted or required by Executive Order; (B) to cause notice of such public hearing to be given to the public by publishing a notice of such hearing in a newspaper of general circulation available to residents of the governmental units where the Project Facility is to be located, such notice to comply with the requirements of Section 859-a of the Act and to be published no fewer than ten (10) days prior to the date established for such public hearing; (C) to cause notice of said public hearing to be given to the chief executive officer of the county and each city, town, village and school district in which the Project Facility is or is to be located no fewer than ten (10) days prior to the date established for said public hearing; (D) to conduct such public hearing; and (E) to cause a report of said public hearing fairly

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summarizing the views presented at said public hearing to be promptly prepared and cause copies of said report to be made available to the members of the Agency.

**Section 8.** The First Chairman, Vice Chairman and Executive Director of the Agency are 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 9.** This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

|                        |        |       |
|------------------------|--------|-------|
| David J. Converse      | VOTING | _____ |
| John Jennings          | VOTING | _____ |
| Robert E. Aliasso, Jr. | VOTING | _____ |
| W. Edward Walldroff    | VOTING | _____ |
| Paul Warneck           | VOTING | _____ |
| William Johnson        | VOTING | _____ |
| Lisa L'Huillier        | VOTING | _____ |

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK     )  
COUNTY OF JEFFERSON   ) ss.:

I, the undersigned Secretary of Jefferson County Industrial Development Agency (the "Agency"), DO HEREBY CERTIFY, that I have compared the foregoing extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on February 11, 2021 with the original thereof on file in my office, and that the same is a true and correct copy of such proceedings of the Agency and of such Resolution set forth therein and of the whole of said original so far as the same related to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respect duly held; (C) pursuant to Article 7 of the Public Officers Law (the "Open Meetings Law"), said meeting was open to the general public and due notice of the time and place of said meeting was given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present through said meeting.

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I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this \_\_\_\_ day of \_\_\_\_\_, 2021.

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David J. Zembiec, Chief Executive Officer

PRELIMINARY AGREEMENT

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THIS PRELIMINARY AGREEMENT made as of February 11, 2021 between **JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY** (the "Agency"), a public benefit corporation organized and existing under the laws of the State of New York, and **NY USLE CARTHAGE SR26 B LLC** (the "Company"), a limited liability company, organized and existing under the laws of the State of Delaware;

WITNESSETH:

**WHEREAS**, the Agency is authorized and empowered by the provisions of the New York State Industrial Development Agency Act, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of the State of New York, as amended (the "Enabling Act") and Chapter 369 of the 1971 Laws of the State of New York, as amended, constituting Section 892-e of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to undertake the acquisition, construction, reconstruction and installation of one or more "projects" (as said quoted term is defined in the Act) and to lease (with an obligation to purchase) or sell the same upon such terms and conditions as the Agency may deem advisable; and

**WHEREAS**, the purposes of the Act are to promote industry and develop trade and thereby advance the job opportunities, health, general prosperity and economic welfare of the inhabitants of Jefferson County, New York and the State of New York, to improve their prosperity and standard of living and to prevent unemployment and economic deterioration; and

**WHEREAS**, by resolution adopted by the members of the Agency on February 11, 2021 (the "Preliminary Inducement Resolution"), the Agency made a preliminary determination, subject to numerous conditions, to accept an application (the "Application") from the Company requesting that the Agency undertake a (the "Project") consisting of the following: (A)(1) the acquisition of a leasehold interest in a portion of a certain parcel of land located in the Town of Champion, to wit: tax parcel 76.00-2-42.1, Jefferson County, New York (the "Land"), and (2) construction, installation and equipping on the Land of a solar-powered electric generating facility, including all related equipment and improvements, with a total planned alternating current output capacity of 3.3 megawatts (the "Facility") to be operated by the Company (the Land and the Facility collectively referred to as the "Project Facility"); (B) the granting of certain "financial assistance" (within the meaning of section 854(14) of the Act) with respect to the foregoing, including exemptions from sales and use taxes and real property taxes for the Project Facility (but not including special district taxes) (collectively, the "Financial Assistance"); and (C) the sublease of the Project Facility back to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

**WHEREAS**, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the "SEQR Act"), and the regulations (the "Regulations") adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, "SEORA"), by resolution adopted by

the members of the Agency on February 11, 2021 (the "SEQR Resolution"), the Agency has determined that the Project will not have a significant effect on the environment and, therefore, that an environmental impact statement is not required to be prepared with respect to the Project;

**NOW, THEREFORE**, in consideration of the mutual covenants contained herein, the Agency and the Company agree as follows:

**Article 1. Representations.**

Among the representations which have resulted in the execution of this Preliminary Agreement are the following:

**Section 1.01.** The Company hereby represents to the Agency that:

(A) The completion of the Project Facility will not result in the removal of a plant or facility of the Company or any other proposed occupant of the Project Facility from one area of the State of New York to another area of the State of New York or in the abandonment of a plant or facility of any proposed occupant of the Project Facility (other than the Company) located in the State of New York and, although the completion of the Project Facility may result in the abandonment of one or more plants or facilities of the Company located in the State of New York, such abandonment is reasonably necessary to preserve the competitive position of the Company in its industry.

(B) The Project Facility will not constitute a project where facilities or property that are primarily used in making retail sales of goods or services to customers who personally visit such facilities constitute more than one-third of the total cost of the Project Facility.

(C) The Project site is located entirely within the boundaries of Jefferson County, New York.

(D) The granting of the Financial Assistance by the Agency with respect to the Project, through the granting of certain exemptions from taxation with respect to the Project, as further described in Section 2(E) of the Preliminary Inducement Resolution, will encourage and assist the Company in locating the Project Facility in Jefferson County, New York, and thereby serve the public purposes of the Act by promoting job opportunities in Jefferson County, New York.

(E) It is estimated at the present time that the costs of the planning, development, acquisition, construction, and installation of the Project Facility (collectively, the "Project Costs") will be approximately \$6,887,236.

(F) The Company will ensure that the acquisition, construction, installation and operation of the Project Facility will comply with all applicable



federal, state and local laws, ordinances, rules and regulations (the applicability of same to be determined both as if the Agency were the owner of the Project Facility and as if the Company and not the Agency were the owner of the Project Facility), and the Company will obtain all necessary approvals and permits required thereunder.

**Section 1.02.** By the Preliminary Inducement Resolution, the Agency has approved the execution of this Preliminary Agreement. The Agency intends this Preliminary Agreement to constitute its official binding commitment, subject to the terms hereof, to accept the Application; *provided, however*, that this Preliminary Agreement shall not commit the Agency to undertake the Project or to grant to the Company any Financial Assistance with respect to the Project unless and until the Agency shall decide to undertake the Project and to grant such Financial Assistance following a determination by the Agency that the procedural requirements of Section 859-a of the Act that relate to the Project have been fulfilled.

**Section 1.03.** Pursuant to SEQRA, the Agency has made a determination that the Project will not have a "significant effect on the environment" (within the meaning of SEQRA) and, therefore, that an environmental impact statement is not required to be prepared with respect to the Project.

**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:

**Section 2.01.** If, following full compliance with the requirements of the Act, including the public hearing requirements set forth in Section 859-a of the Act, the Agency adopts a future resolution (the "Future Resolution") determining to proceed with the Project and to grant the Financial Assistance with respect thereto and the Company complies with all conditions set forth in this Preliminary Agreement and the Future Resolution, then the Agency will undertake the Project and will grant the Financial Assistance relating to the Project; *provided, however*, that the foregoing obligation of the Agency to undertake the Project and to grant the Financial Assistance relating to the Project is subject to the conditions hereinafter contained in this Preliminary Agreement including, but not limited to, the following conditions:

(A) A leasehold interest in the Project Facility shall be acquired by the Agency from the Company pursuant to a lease agreement to be negotiated between the Agency and the Company (hereinafter, the "Company Lease") which contains terms mutually acceptable to the Agency and the Company for the conveyance of a leasehold interest in the Project Facility to the Agency. Any machinery, equipment and personal property related to the Project Facility acquired by the Company will be acquired by the Company as agent of the Agency, an interest therein shall be conveyed to the Agency by a bill of sale from the Company to the Agency ("Bill of Sale") or otherwise, and such property shall

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become subject to the terms of the Agency Lease (as hereinafter defined). The lease of the Project Facility by the Agency to the Company shall be effected by a lease agreement (hereinafter, the "Agency Lease") between the Agency and the Company. The Company Lease, the Bill of Sale, the Agency Lease, and any other documents to be executed by the Agency in connection with the Project (collectively, the "Project Documents") shall, in all respects, comply with the requirements of, and limitations contained in, the Act and shall further specifically provide that the obligations of the Agency thereunder are payable solely from the revenues derived by the Agency from the sale, lease or other disposition of the Project Facility; that the obligations of the Agency thereunder shall not be a general obligation of the Agency and shall not constitute an indebtedness or pledge of the general credit of the Agency; that no beneficiary of the obligations of the Agency thereunder shall have the right to compel any exercise of the taxing power of the Agency (if any), or of the State of New York or any political subdivision thereof, including Jefferson County, New York; and that the obligations of the Agency thereunder shall not create a debt or loan of credit of Jefferson County, New York or the State of New York, but such obligations shall be a special obligation of the Agency secured and payable solely as provided in the Company Lease or the Agency Lease, as the case may be, and such facts shall be plainly stated in each of such documents;

(B) The Company shall have executed the Agency Lease between the Agency and the Company, the terms of which shall be acceptable in form and content to the Company and the Agency, and pursuant to which, among other things, the Company shall be obligated to pay all costs incurred by the Agency with respect to the Project and/or the Project Facility, including all costs of operation and maintenance of the Project Facility, all taxes and other governmental charges, any required payments in lieu of taxes, the administrative fee of the Agency, and the reasonable fees and expenses, including attorneys' fees, incurred by the Agency with respect to or in connection with the Project and/or the Project Facility;

(C) No event shall have occurred which constitutes (or which after notice or lapse of time or both would constitute) an event of default under the Agency Lease;

(D) The Company shall provide the Agency with all information and statements which may be required by the Agency in order to facilitate compliance by the Agency with SEQRA;

(E) The Agency shall receive, in form and substance satisfactory to the Agency, such rulings, approvals, resolutions, consents, certificates, opinions of counsel and other instruments and proceedings as shall be specified by the Agency in connection with the Project and the various documents to be executed in connection with the Project, such rulings, approvals, resolutions, consents, certificates, opinions of counsel and other instruments and proceedings to be

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obtained from counsel to the Agency and such other governmental and nongovernmental agencies and entities as may have or assert competence or jurisdiction over or interest in matters pertaining thereto;

(F) Agreements shall be made as to (1) payments by the Company to or on behalf of the Agency of amounts in lieu of real property taxes, (2) indemnity by the Company of the Agency and the members and officers of the Agency, and (3) payment by the Company of the expenses incurred by the Agency in connection with the Project (including attorneys' fees and out-of-pocket expenses) and the administrative fee of the Agency, and such agreements shall be satisfactory in form and substance to the Agency;

(G) The Agency shall have made a determination to proceed with the granting of the Financial Assistance following a determination by the Agency that all the public hearing and notice requirements and other procedural requirements of Section 859-a of the Act that relate to the Project have been complied with;

(H) If any portion of the Financial Assistance to be granted by the Agency with respect to the Project is not consistent with the Agency's uniform tax exemption policy, the Agency must follow the procedures for deviation from such policy set forth in Section 874(b) of the Act prior to granting such portion of the Financial Assistance.

**Section 2.02.** The obligations of the Agency pursuant to this Preliminary Agreement are subject to the conditions elsewhere contained in this Preliminary Agreement and to the additional condition that the Agency shall not undertake the Project, nor grant any Financial Assistance with respect to the Project, unless and until the Agency shall have complied with the provisions of SEQRA.

**Section 2.03.** Subject to the conditions stated in this Preliminary Agreement, the Agency, from time to time, will adopt, or cause to be adopted, such proceedings and authorize the execution of such documents as may be necessary or advisable for: (A) the authorization, undertaking and completion of the Project; and (B) the lease of the Project Facility to the Company, all as shall be authorized by law and be mutually satisfactory to the Agency and the Company.

**Section 2.04.** 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.

### **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:

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**Section 3.01.** Contemporaneously with the execution and delivery by the Agency of the Company Lease, the Company will enter into the Agency Lease with the Agency containing the terms and conditions described in Section 2.01 hereof. The Company agrees that the Company will pay all of the Project Costs and shall not be entitled to any reimbursement for any such payment from the Agency. THE AGENCY MAKES NO WARRANTY, EITHER EXPRESS OR IMPLIED, THAT THE PROJECT FACILITY WILL BE SUITABLE FOR THE COMPANY'S PURPOSES OR NEEDS.

**Section 3.02.** The Company hereby agrees to indemnify and hold the Agency (and its members, officers, agents and employees) harmless from all losses, expenses, claims and liabilities arising out of or based on labor, services, materials and supplies, including equipment, ordered or used in connection with the acquisition, construction and installation of the Project Facility, including any expenses incurred by the Agency (and its members, officers, agents and employees) in defending any claims, suits or actions which may arise as a result of any of the foregoing. The Company shall not permit to stand, and will, at its own expense, take steps reasonably necessary to remove, any mechanic's or other liens against the Project Facility for labor or material furnished in connection with the acquisition, construction and installation of the Project Facility.

**Section 3.03.** The Company hereby agrees to indemnify, defend and hold the Agency (and its members, officers, agents and employees) harmless from any and all (A) claims and liabilities for the 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 and/or the Project Facility, including any expenses incurred by the Agency (and its members, officers, agents and employees) in defending any claims, suits or actions which may arise as a result of the foregoing; and (B) claims and liability arising from or expenses incurred in connection with the Project or the Agency's acquisition, construction and installation, owning, and/or leasing of the Project Facility, including all causes of action and attorneys' fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. The Company shall include the Agency (and its members, officers, agents, and employees) as a named insured under all public liability insurance policies obtained by the Company with respect to the Project.

**Section 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.

**Section 3.05.** If the Company fails to conclude or consummate the necessary negotiations associated with the Project, or fails, within a reasonable or specified period of time, to take reasonable proper or requested action, or withdraws, abandons, cancels, or neglects the Application or the Project, or otherwise fails to execute and deliver the Project Documents, then, upon the presentation of an invoice, the Company shall pay to the Agency, its agents, or assigns all actual costs incurred by the Agency in furtherance of the Application, the Project, and the transaction contemplated by this Preliminary



Agreement, up to that date and time, including, but not limited to, attorneys' fees of the Agency's general counsel and the Agency's transaction counsel.

**Article 4. General Provisions.**

**Section 4.01.** All commitments of the Agency under Article 2 hereof and of the Company under Article 3 hereof (excepting the obligations of the Company set forth in Sections 3.02 and 3.03 hereof, which shall survive the termination of this Preliminary Agreement) are subject to the condition that the following events shall have occurred not later than two (2) years from the date hereof (or such other date as shall be mutually satisfactory to the Agency and the Company):

(A) The Agency and the Company shall have agreed on mutually acceptable terms and conditions of the Company Lease, the Agency Lease and any other agreements referred to in Articles 2 or 3 hereof;

(B) All necessary governmental approvals shall be obtained; and

(C) All other conditions expressed in this Preliminary Agreement shall have been satisfied.

**Section 4.02.** Subject to the terms and conditions of Section 4.03 hereof, the Company shall have the right to unilaterally cancel this Preliminary Agreement at any time prior to the time that the Company Lease is signed by the Agency upon thirty (30) days' prior written notice of cancellation delivered to the Agency at the address set forth in Section 4.04 hereof.

**Section 4.03.** If the events set forth in Section 4.01 hereof do not take place within the time set forth in said Section 4.01, or any extension thereof, or if the Company exercises its right of cancellation as set forth in Section 4.02 hereof, the Company agrees that: (A) it will promptly reimburse the Agency (and its officers, members, agents or employees) for all reasonable and necessary direct out-of-pocket expenses (including legal fees and expenses) which the Agency (and its officers, members, agents or employees) may incur with respect to the execution of this Preliminary Agreement and the performance of its obligations hereunder; and (B) the obligations of the Company set forth in Section 3.02 and 3.03 hereof shall survive the termination of this Preliminary Agreement and shall remain in full force and effect until the expiration of the period stated in the applicable statute of limitations during which a claim, cause of action or prosecution relating to the matters described therein may be brought and payment in full or the satisfaction of such claim, cause of action or prosecution and the payment of all expenses and charges incurred by the Agency (and its officers, members, agents or employees) relating to the enforcement of the provisions therein stated.

**Section 4.04.** (A) All notices and other communications hereunder shall be in writing and shall be deemed given when mailed by United States registered or certified mail, postage prepaid, return receipt requested, addressed as follows:

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(1) To the Agency:

Jefferson County Industrial Development Agency  
800 Starbuck Avenue  
Watertown, New York 13601  
Attention: David J. Zembiec

With a copy to:

Matthew S. Moses, Esq.  
Swartz Moses PLLC  
1583 East Genesee Street  
Skaneateles, NY 13152

(2) To the Company:

NY USLE Carthage SR26 B LLC  
Attn: Daniel Gulick  
600 Third Avenue, 38<sup>th</sup> Floor  
New York, NY 10016

With a copy to:

Genevieve M. Trigg, Esq.  
Barclay Damon LLP  
80 State Street  
Albany, NY 12207

(B) The Agency and the Company may, by notice given hereunder, designate any further or different addresses or modes of communication to which subsequent notices, certificates and other communications shall be sent.

**Section 4.05.** All covenants and agreements herein contained by or on behalf of the Agency and the Company shall bind and inure to the benefit of the respective successors and assigns of the Agency and the Company whether so expressed or not.

**Section 4.06.** The obligations and agreements of the Agency contained herein shall be deemed the obligations and agreements of the Agency, and not of any member, officer, agent or employee of the Agency in his individual capacity, and the members, officers, agents and employees of the Agency shall not be liable personally hereon or be subject to any personal liability or accountability base upon or in respect hereof or of any transaction contemplated hereby. The obligations and agreements of the Agency contained herein shall not constitute or give rise to an obligation of the State of New York or of Jefferson County, New York and neither the State of New York nor Jefferson County, New York shall be liable thereon and, further, such obligations and agreements



shall not constitute or give rise to a general obligation of the Agency but, rather, shall constitute limited obligations of the Agency payable solely from the revenues of the Agency derived and to be derived from the lease, sale or other disposition of the Project Facility.

**Section 4.07.** Notwithstanding any provision of this Preliminary Agreement to the contrary, the Agency shall not be obligated to take any action pursuant to any provision hereof unless (A) the Agency has been requested to do so in writing by the Company; and (B) if compliance with such request is reasonably expected to result in the incurrence by the Agency (or any member, officer, agent or employee of the Agency) of any liability, fees, expenses or other costs, the Agency shall have received from the Company security or indemnity satisfactory to the Agency for protection against all such liability and for the reimbursement of all such fees, expenses and other costs.

**Section 4.08.** This Preliminary Agreement may be executed in any number of counterparts each of which shall be deemed an original and all of which taken together shall constitute one and the same instrument. This Preliminary Agreement, and any amendments hereto or, to the extent signed and delivered by means of a facsimile machine or electronic transmission in portable document format (PDF), shall be treated in all manner and respects as an original agreement and shall be considered to have the same binding legal effects as if it were the original signed version thereof delivered in person. No party shall raise the use of a facsimile machine or electronic transmission in PDF to deliver a signature or the fact that any signature was transmitted or communicated through such means as a defense to the formation of an agreement and each party forever waives any such defense.

IN WITNESS WHEREOF, the parties hereto have entered into this Preliminary Agreement as of the day and date first written above.

**JEFFERSON COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY**

By: \_\_\_\_\_  
David J. Zembiec, Chief Executive Officer

**NY USLE CARTHAGE SR26 B LLC**

By: \_\_\_\_\_  
Authorized Officer

Jefferson County Industrial Development Agency  
 800 Starbuck Avenue, Suite 800  
 Watertown, NY 13601  
 (315) 782-5865

2020-2021 Board Attendance

| Name                 | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep |
|----------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Aliasso, Robert      | P   | P   | P   | P   |     |     |     |     |     |     |     |     |
| Converse, David      | P   | P   | P   | P   |     |     |     |     |     |     |     |     |
| Jennings, John       | P   | A   | E   | P   |     |     |     |     |     |     |     |     |
| Johnson, William     | P   | P   | P   | P   |     |     |     |     |     |     |     |     |
| L'Huillier, Lisa     | P   | P   | P   | P   |     |     |     |     |     |     |     |     |
| Walldroff, W. Edward | P   | P   | P   | P   |     |     |     |     |     |     |     |     |
| Warneck, Paul        | P   | P   | P   | P   |     |     |     |     |     |     |     |     |
| Totals:              | 7   | 6   | 6   | 7   |     |     |     |     |     |     |     |     |
| P - Present          |     |     |     |     |     |     |     |     |     |     |     |     |
| - Excused            |     |     |     |     |     |     |     |     |     |     |     |     |
| - Absent             |     |     |     |     |     |     |     |     |     |     |     |     |