

**Jefferson County Industrial Development Agency
Board Meeting Minutes
July 13, 2023**

The Jefferson County Industrial Development Agency held their board meeting on Thursday, July 13, 2023 in the board room at 800 Starbuck Avenue, Watertown, NY.

Present: Robert E. Aliasso, Jr., Paul Warneck, Lisa L'Huillier, David Converse, W. Edward Walldroff, William Johnson, John Condino

Excused: None

Absent: None

Also Present: Christine Powers, Rob Aiken, Justin Miller, Esq. (Harris Beach), Darrin Prance (North American Tapes)
Zoom: Craig Fox (Watertown Daily Times)

Staff Present: David Zembiec, Marshall Weir, Lyle Eaton, Joy Nuffer, Robin Stephenson

- I. Call to Order:** Chairman Aliasso called the meeting to order at 8:36 a.m.
- II. Privilege of the Floor:** Chairman Aliasso invited guests to speak. No one spoke.
- III. Minutes:** Minutes of the meeting held June 1, 2023 were presented. A motion to approve the minutes as presented was made by Mr. Johnson, seconded by Mr. Condino. All in favor. Carried.
- IV. Treasurer's Report:** Mr. Warneck reviewed the financials for the period ending June 30, 2023. A question was posed about the MLR project which US Foods has acquired, Attorney Miller stated that the new company would have to submit a revised application, and Mr. Zembiec said he had spoken with the Renzi's regarding that matter, and that the new owners were planning to proceed with the expansion. After discussion, a motion was made by Mr. Johnson to accept the financial statement as presented, seconded by Mr. Warneck. All in favor. Carried.
- V. Committee Reports:**
 - a. Alternative Energy Ad Hoc Committee** – Mr. Warneck began discussion relating to the larger solar projects and how some are going to the jurisdictions and bypassing the IDA. There were some questions for Attorney Miller, and he stated that a unified PILOT protects jurisdictions, but many do not understand the PILOT process. There was much discussion, and Mr. Warneck stated that they would be having another committee meeting to discuss how to handle the larger projects and the deviations from the UTEP.
 - b. Loan Review Committee** – Mr. Converse introduced Mr. Prance from North American Tapes who has applied for a PILOT for an expansion at their existing location. Mr. Prance showed the Board and staff the athletic tape, which is just one of the products they manufacture. He stated that it is FDA approved and made with all natural products, so it is not harmful to the skin. He said that his plant manufactures about 30% of the NFL market for athletic tape and they are also the #1 distributor of hockey tape. They make many products at the Watertown location including shrink wrap for boats and double-sided tape. Mr. Zembiec stated that this is the third expansion for this facility. There was

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a question from Mr. Warneck regarding the adjustment made for the North American Tapes concerning exception to the covenant parking requirements and whether it will get filed at the County. Attorney Miller stated that would be filed at closing.

VI. Counsel:

1. **Initial Project Resolution No. 07.13.2023.01 for North American Tapes, LLC** – A motion was made by Mr. Warneck to approve the resolution, seconded by Mr. Condino. Roll call vote. Mr. Aliasso – Yea, Mr. Converse – Yea, Mr. Condino – Yea, Mr. Johnson – Yea, Ms. L’Huillier – Yea, Mr. Walldroff – Yea, Mr. Warneck – Yea. Carried.

VII. Unfinished Business:

1. **146 Arsenal Street update** – Mr. Zembiec gave an update on the YMCA project. He stated that it is on time and on budget. Construction is due to be completed in November and opening in December.
2. **Three Mile Bay Ventures, LLC update** – Mr. Zembiec gave an update on the status of the PILOT. Two days before the closing, the lender showed concern for the PILOT/mortgage wording due to an SBA loan program. Attorney Miller stated that there were parties involved who did not understand the purpose of an IDA in New York. Three Mile Bay Ventures, LLC backed out of the PILOT agreement but will still be utilizing the sales tax abatement. Due to the extra cost involved Mr. Zembiec requested the Board decrease the fee from 25% to 15%, a motion was made by Mr. Warneck to approve decreasing the fee from 25% to 15%, seconded by Mr. Condino, Mr. Aliasso called for a roll call vote. Mr. Aliasso – Yea, Mr. Converse – Yea, Mr. Condino – Yea, Mr. Johnson – Yea, Ms. L’Huillier – Yea, Mr. Walldroff – Yea, Mr. Warneck – Yea. Carried.

VIII. New Business:

- a. Mr. Zembiec updated the Board that he is meeting with developers in the Town of Watertown regarding the potential event center.
- b. Mr. Zembiec has drafted a letter to the Town of Watertown regarding their townwide updates to the zoning as the proposed zoning is not the same as the covenants of the Jefferson County Corporate Park. The setback differences is the major issue, and he is in favor of an overlay district but would like to see it in line with the covenants of the park. He will be attending the meeting in the Town of Watertown to speak on the subject.
- c. Mr. Zembiec updated the Board on the Corporate Park turn lane progress. He stated that National Grid had to move the gas and power lines and the Town of Watertown still needs to move the water/sewer lines and they are hoping for the project to be completed in the spring.

- IX. Adjournment:** With no further business before the board, a motion to adjourn was made by Mr. Aliasso, seconded by Mr. Converse. All in favor. The meeting adjourned at 9:34 a.m.

Respectfully submitted,

Joy Nuffer

INITIAL PROJECT RESOLUTION
(North American Tapes LLC Project)

A regular meeting of the Jefferson County Industrial Development Agency convened on Thursday July 13, 2023 at 8:30 a.m.

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

Resolution No. 07.13.2023.01

RESOLUTION OF THE JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY (i) ACCEPTING AN APPLICATION SUBMITTED BY NORTH AMERICAN TAPES LLC 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 industrial, manufacturing and commercial facilities as authorized by the Act; and

WHEREAS, **NORTH AMERICAN TAPES LLC**, for itself and/or for an entity or entities to be formed (collectively, the "Company"), has submitted an application to the Agency requesting the Agency's assistance with a certain project (the "Project") consisting of: (i) the acquisition by the Agency of a leasehold interest in approximately 8.08 acres of real property located at 22430 County Route 196 in the Town of Watertown, New York (the "Land", being more particularly described as tax parcel No. 73.20-1-17) and the existing improvements located thereon, consisting principally of an approximately 48,000 square foot manufacturing facility (the "Existing Improvements"); (ii) the planning, design, construction and operation of an approximately 19,200 square feet addition to the Existing Improvements of building space for operation as a manufacturing facility, along with warehousing spaces, exterior utility and site improvements, parking lots, loading docks, access and egress improvements, signage, curbage, sidewalks, landscaping and stormwater retention improvements (collectively, the "Improvements"); (iii) the acquisition of and installation in and around the Land, the Existing Improvements and Improvements by the Company of machinery, equipment, fixtures and other items of tangible personal property (the "Equipment"; and, collectively with the Land, the Existing Improvements 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 (a) an exemption from all State and local sales and use taxes with respect to qualifying personal property included in or incorporated into the Facility or used in the construction and equipping of the Facility; (b) mortgage recording tax exemption for project financing; and (c) a partial real property tax abatement through the execution of an agreement with the Agency regarding payments in lieu of real property taxes to be made for the benefit of the Affected Tax Jurisdictions; and

WHEREAS, the Agency desires to (i) accept the Application, (ii) authorize the scheduling and conduct of a public hearing pursuant to and in accordance with the Act, and (iii) negotiate, but not enter into an Agent and Financial Assistance and Project Agreement (the "Agent Agreement"), a Lease Agreement (the "Lease Agreement"), a Leaseback Agreement (the "Leaseback Agreement"), a Payment-in-Lieu-of-Tax Agreement (the "PILOT Agreement"), and related documents with the Company.

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. The Agency authorizes the issuance of notice letters to applicable municipal officials in accordance with the Act.

Section 2. The proposed financial assistance being contemplated by the Agency includes (a) an exemption from all State and local sales and use taxes with respect to qualifying personal property included in or incorporated into the Facility or used in the construction and equipping of the Facility; (b) mortgage recording tax exemption for project financing; and (c) a partial real property tax abatement through the execution of an agreement with the Agency regarding payments in lieu of real property taxes to be made for the benefit of the Affected Tax Jurisdictions.

Section 3. 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 the Agent Agreement, Lease Agreement, Leaseback Agreement, PILOT Agreement, and 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 4. The Agency hereby authorizes the scheduling and conduct a public hearing in compliance with the Act.

Section 5. Harris Beach PLLC, as General and 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 6. 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 7. 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.	[X]	[]	[]	[]
David J. Converse	[X]	[]	[]	[]
John J. Condino	[X]	[]	[]	[]
William W. Johnson	[X]	[]	[]	[]
Lisa L'Huillier	[X]	[]	[]	[]
W. Edward Walldroff	[X]	[]	[]	[]
Paul J. Warneck	[X]	[]	[]	[]

The Resolution was thereupon duly adopted.

STATE OF NEW YORK)
COUNTY OF JEFFERSON) SS:

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

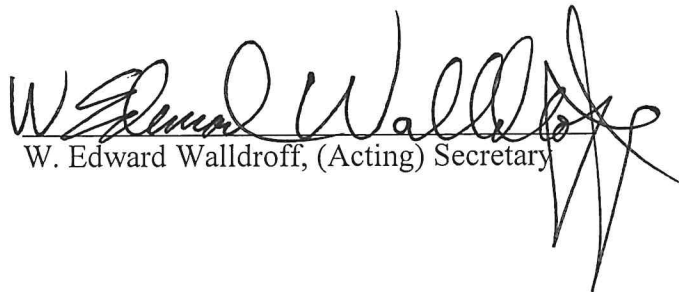
That I have compared the annexed extract of minutes of the meeting of Jefferson County Industrial Development Agency (the "Agency"), including the resolution contained therein, held on July 13, 2023, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of 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 13th day of July, 2023.


W. Edward Walldroff, (Acting) Secretary

[SEAL]

