

## PROJECT AUTHORIZING RESOLUTION

*(Three Mile Bay Ventures LLC Project)*

A regular meeting of the Jefferson County Industrial Development Agency was convened on Thursday, October 6, 2022 at 8:30 a.m.

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

Resolution No. 10.06.2022.02

RESOLUTION OF THE JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY (i) APPOINTING THREE MILE BAY VENTURES LLC, FOR ITSELF AND/OR ON BEHALF OF ONE OR MORE ENTITIES TO BE FORMED (COLLECTIVELY, THE "COMPANY") AS ITS AGENT TO UNDERTAKE A CERTAIN PROJECT (AS MORE FULLY DESCRIBED BELOW); (ii) AUTHORIZING THE EXECUTION AND DELIVERY OF AN AGENT AGREEMENT, LEASE AGREEMENT, LEASEBACK AGREEMENT, PAYMENT-IN-LIEU-OF-TAX AGREEMENT AND RELATED DOCUMENTS WITH RESPECT TO THE PROJECT; (iii) AUTHORIZING THE PROVISION OF CERTAIN FINANCIAL ASSISTANCE TO THE COMPANY (AS FURTHER DEFINED HEREIN); AND (iv) AUTHORIZING THE EXECUTION OF RELATED DOCUMENTS WITH RESPECT 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, (the "Act"), the **JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY** (the "Agency") was created with the authority and power to promote, develop, encourage and assist in acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing industrial, manufacturing, warehousing, commercial, research, and recreational facilities as authorized by the Act, and in connection therewith to issue its revenue bonds, and/or enter into straight lease transactions and provide other forms of financial assistance; and

WHEREAS, **THREE MILE BAY VENTURES 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 57.68 acres of real property located at 7828 NYS Route 12E in the Town of Lyme, New York (the "Land", being more particularly described as tax parcel No. 60.08-1-24.1); (ii) the planning, design, construction and operation of an approximately 10,000 square foot event-center destination facility, including five (5) cottages and laundromat space, along with utility and site improvements, parking lots, 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 and Improvements by the Company of machinery, equipment, fixtures and other items of tangible personal property (the "Equipment"; and, collectively 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, on September 1, 2022, the Agency adopted an initial resolution (the “Initial Project Resolution”) which (i) accepted the Company’s application, (ii) authorized the scheduling and conduct of a public hearing in compliance with the Act, (iii) described the contemplated forms of financial assistance to be provided by the Agency (the “Financial Assistance”, as described herein); (iv) adopted certain findings with respect to the New York State Environmental Quality Review Act; and (v) authorized the negotiation of an Agent and Financial Assistance and Project Agreement (the “Agent Agreement”), Lease Agreement (the “Lease Agreement”), Leaseback Agreement (the “Leaseback Agreement”) and Payment-in-lieu-of-Tax agreement (the “PILOT Agreement”) to be entered into with respect to the Project; and

WHEREAS, in accordance with the Initial Project Resolution, the Agency published and forwarded a Notice of Public Hearing to the Town of Lyme (the “Town”), the County of Jefferson (the “County”), and the Lyme Central School District (the “School”, and together with the Town and County, the “Affected Tax Jurisdictions”) at least ten (10) days prior to said Public Hearing are attached hereto as **Exhibit A**; and

WHEREAS, pursuant to Section 859-a of the Act, the Agency held a public hearing on September 27, 2022 at 1:00 p.m., local time, at Town of Lyme Municipal Building, 12175 NYS Route 12E, Chaumont, New York 13622 with respect to the Project (the “Public Hearing”) and the proposed Financial Assistance (as further defined herein) being contemplated by the Agency whereat interested parties were provided a reasonable opportunity, both orally and in writing, to present their views, a copy of the minutes of the Public Hearing also being attached hereto within **Exhibit A**; and

WHEREAS, in furtherance of the foregoing, the Agency desires to authorize (i) the appointment of the Company as agent of the Agency to undertake the Project; (ii) the execution and delivery of the Agent Agreement, Lease Agreement, the Leaseback Agreement, the PILOT Agreement, and related documents; and (iii) the provision of the Financial Assistance to the Company, which shall include (a) an exemption from all state and local sales and use taxes with respect to the qualifying personal property included in or incorporated into the Facility or used in the construction and equipping of the Facility, (b) a mortgage recording tax exemption for financings undertaken to construct the Facility; 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.

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

Section 1. Based upon the representations made by the Company to the Agency in the 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) It is desirable and in the public interest for the Agency to (i) acquire title to or other interest in the Land, Improvements and the Equipment constituting the Facility, (ii) lease or sell the Agency's interest in the Land, Improvements and Equipment constituting the Facility to the Company pursuant to a lease agreement or sale agreement, and (iii) enter into a Straight Lease Transaction with the Company; and

(C) The action to be taken by the Agency will induce the Company to undertake the Project, thereby increasing employment opportunities in the Town, which is located within 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 facility or 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 facility or plant 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. Subject to (i) the Company executing the Agent Agreement and/or Leaseback Agreement, and (ii) the delivery to the Agency of a binder, certificate or other evidence of liability insurance policy for the Project satisfactory to the Agency, the Agency hereby authorizes the Company to proceed with the acquisition, renovation, construction, reconstruction, rehabilitation and equipping of the Project and hereby appoints the Company as the true and lawful agent of the Agency: (i) to acquire, construct and equip the Project; (ii) to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agent for the Agency with the authority to delegate such agency, in whole or in part, to agents, subagents, contractors, and subcontractors of such agents and subagents and to such other parties as the Company chooses; and (iii) in general, to do all things which may be requisite or proper for completing the Project, all with the same powers and the same validity that the Agency could do if acting in its own behalf; *provided, however*, the Agent Agreement shall expire on December 31, 2023 (*unless extended for good cause by the Executive Director of the Agency*).

Section 3. Based upon the representation and warranties made by the Company the Application, the Agency hereby authorizes and approves the Company, as its agent, to make purchases of goods and services relating to the Project and that would otherwise be subject to New York State and local sales and use tax in an amount up to approximately **\$3,450,000.00**, which result in New York State and local sales and use tax exemption benefits ("sales and use tax exemption benefits") not to exceed **\$276,000.00**. The Agency agrees to consider any

requests by the Company for increase to the amount of sales and use tax exemption benefits authorized by the Agency upon being provided with appropriate documentation detailing the additional purchases of property or services, and, to the extent required, the Agency authorizes and conducts any supplemental public hearing(s).

Section 4. Pursuant to Section 875(3) of the Act, the Agency may recover or recapture from the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, any sales and use tax exemption benefits taken or purported to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, if it is determined that: (i) the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, is not entitled to the sales and use tax exemption benefits; (ii) the sales and use tax exemption benefits are in excess of the amounts authorized to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project; (iii) the sales and use tax exemption benefits are for property or services not authorized by the Agency as part of the Project; (iv) the Company has made a material false statement on its application for financial assistance; (v) the sales and use tax exemption benefits are taken in cases where the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project fails to comply with a material term or condition to use property or services in the manner approved by the Agency in connection with the Project; and/or (vi) the Company obtains mortgage recording tax benefits and/or real property tax abatements and fails to comply with a material term or condition to use property or services in the manner approved by the Agency in connection with the Project (collectively, items (i) through (vi) hereby defined as a "Recapture Event").

As a condition precedent of receiving sales and use tax exemption benefits and real property tax abatement benefits, the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, must (i) if a Recapture Event determination is made by the Agency, cooperate with the Agency in its efforts to recover or recapture any sales and use tax exemption benefits, mortgage recording tax benefits and/or real property tax abatements abatement benefits, and (ii) promptly pay over any such amounts to the Agency that the Agency demands, if and as so required to be paid over as determined by the Agency.

Section 5. The Chairman, Vice Chairman and/or Executive Director (or Deputy Executive Director) of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Agent Agreement, Lease Agreement, Leaseback Agreement, PILOT Agreement, PILOT Mortgage, and related documents with such changes as shall be approved by the Chairman, Vice Chairman, the Executive Director and counsel to the Agency upon execution.

Section 6. The Chairman (or Vice Chairman), Executive Director (or Deputy Executive Director) of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver any mortgage, assignment of leases and rents, security agreement, UCC-1 Financing Statements and all documents reasonably contemplated by these resolutions or required by any lender identified by the Company (the "Lender") up to a maximum principal amount necessary

to undertake the Project, acquire the Facility and/or finance or refinance equipment and other personal property and related transactional costs (hereinafter with the Straight Lease Documents, the "Agency Documents"); and, where appropriate, the Secretary (or Assistant Secretary) of the Agency is hereby authorized to affix the seal of the Agency to the Agency Documents and to attest the same, all with such changes, variations, omissions and insertions as the Chairman (or Vice Chairman), Executive Director (or Deputy Executive Director) of the Agency shall approve, the execution thereof by the Chairman (or Vice Chairman), Executive Director (or Deputy Executive Director) of the Agency to constitute conclusive evidence of such approval; provided, that, in all events, recourse against the Agency is limited to the Agency's interest in the Project.

Section 7. 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 8. These Resolutions shall take effect immediately upon adoption.

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

	<i>Yea</i>	<i>Nay</i>	<i>Absent</i>	<i>Abstain</i>
Robert E. Aliasso, Jr.	X			
David J. Converse	X			
John Jennings			X	
William W. Johnson	X			
Lisa L'Huillier	X			
W. Edward Walldroff	X			
Paul J. Warneck	X			

The resolutions were thereupon duly adopted.

STATE OF NEW YORK     )  
COUNTY OF JEFFERSON   ) ss:

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

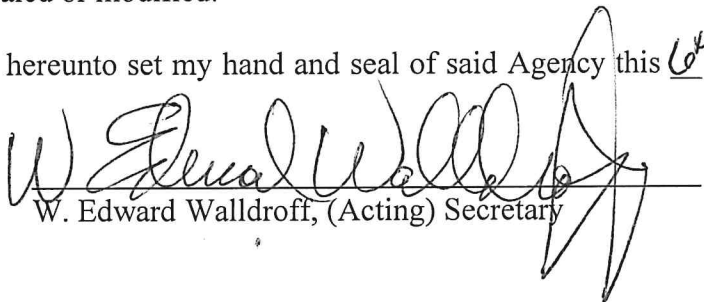
That I have compared the foregoing extract of the minutes of the meeting of the Jefferson County Industrial Development Agency (the "Agency") including the resolution contained therein, held on October 6, 2022, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolution set forth therein and of the whole of said original insofar as the same relates 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 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 seal of said Agency this 6<sup>th</sup> day of October, 2022.

  
W. Edward Walldroff, (Acting) Secretary

[SEAL]



**EXHIBIT A**  
**PUBLIC HEARING MATERIALS**



Jefferson County Industrial Development Agency

800 Starbuck Avenue, Suite 800  
Watertown, New York 13601

ph: 315.782.5865 / 800.553.4111  
fx: 315.782.7915

[www.jcida.com](http://www.jcida.com)

## NOTICE OF PUBLIC HEARING

September 12, 2022

VIA CERTIFIED MAIL/  
RETURN RECEIPT REQUESTED

To: The Chief Executive Officers of  
Affected Tax Jurisdictions on Schedule A

Re: Jefferson County Industrial Development Agency  
Three Mile Bay Ventures LLC Project

Ladies and Gentlemen:

Please note that on Tuesday, September 27, 2022 at 1:00 p.m. local time, at the Town of Lyme Municipal Building, 12175 NYS Route 12E, Chaumont, New York 13622, the Jefferson County Industrial Development Agency (the "Agency") will conduct a public hearing regarding the above-referenced project. Enclosed is a copy of the Notice of Public Hearing describing the Project and the financial assistance contemplated by the Agency. The Notice has been submitted to the *Watertown Daily Times* for publication.

You are welcome to attend such hearing at which time you will have an opportunity to review the project application and present your views, both orally and in writing, with respect to the project. We are providing this notice to you, pursuant to General Municipal Law Section 859-(a), as the chief executive officer of an affected tax jurisdiction within which the project is located.

Very truly yours,

JEFFERSON COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY

Schedule A  
Affected Tax Jurisdiction Officials

Jefferson County, New York

Attn: William W. Johnson, Chairman  
County Legislature  
195 Arsenal Street  
Watertown, New York 13601

Jefferson County, New York

Attn: Robert F. Hagemann, III  
County Administrator  
195 Arsenal Street  
Watertown, New York 13601

Lyme Central School District

Attn: Deanna Lothrop, President  
Board of Education  
11868 Academy Street  
Chaumont, New York 13622

Lyme Central School District

Attn: Cammy J. Morrison, Superintendent  
11868 Academy Street  
Chaumont, New York 13622

Town of Lyme, New York

Attn: Terry Countryman, Town Supervisor  
Town of Wilna Municipal Building  
12175 NYS Route 12E  
Chaumont, New York 13622

## NOTICE OF PUBLIC HEARING

**NOTICE IS HEREBY GIVEN** that a public hearing pursuant to Article 18-A of the New York General Municipal Law (the "Act") will be held by the Jefferson County Industrial Development Agency (the "Agency") on September 27, 2022 at 1:00 p.m. at the Town of Lyme Municipal Building, 12175 NYS Route 12E, Chaumont, New York 13622 in connection with the matter described below.

**THREE MILE BAY VENTURES 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 57.68 acres of real property located at 7828 NYS Route 12E in the Town of Lyme, New York (the "Land", being more particularly described as tax parcel No. 60.08-1-24.1); (ii) the planning, design, construction and operation of an approximately 10,000 square foot event-center destination facility, including five (5) cottages and laundromat space, along with utility and site improvements, parking lots, 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 and Improvements by the Company of machinery, equipment, fixtures and other items of tangible personal property (the "Equipment"; and, collectively 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").

The Agency is contemplating providing financial assistance to the Company with respect to the Project (collectively, the "Financial Assistance") in the form of (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) a mortgage recording tax exemption for financings undertaken to construct the Facility, and (c) a partial real property tax abatement through a payment-in-lieu-of-tax agreement (the "PILOT Agreement"), pursuant to which the Company would make payments in lieu of real property taxes to the Agency for the benefit of each affected tax jurisdiction (the "Affected Tax Jurisdictions").

In accordance with Section 859-a of the Act, a representative of the Agency will be at the above-stated time and place to present a copy of the Company's project Application (including a cost-benefit analysis), which is also available for viewing on the Agency's website at: <https://www.jcida.com/wp-content/uploads/2022/09/TMBV-Sally-Port-Application-and-CBA.pdf>. The Agency will also live stream the public hearing through its webpage and also encourages all interested parties to submit written comments to the Agency, which will all be included within the public hearing record. Any written comments may be sent to Jefferson County Industrial Development Agency, 800 Starbuck Avenue, Watertown, New York 13601, Attn: David Zembiec, Chief Executive Officer and/or via email at [dzembiec@jcida.com](mailto:dzembiec@jcida.com).

Dated: September 14, 2022

JEFFERSON COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY

**Jefferson County Industrial Development Agency  
Public Hearing Minutes  
September 27, 2022**

The Jefferson County Industrial Development Agency held a public hearing at 1:00 p.m. Tuesday, September 27, 2022, at the Town of Lyme Municipal Building, 12175 NYS Route 12E, Chaumont, New York, and via live stream for **Three Mile Bay Ventures, LLC** for a Straight Lease transaction.

Project Information:

**THREE MILE BAY VENTURES 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 57.68 acres of real property located at 7828 NYS Route 12E in the Town of Lyme, New York (the "Land", being more particularly described as tax parcel No. 60.08-1-24.1); (ii) the planning, design, construction and operation of an approximately 10,000 square foot event-center destination facility, including five (5) cottages and laundromat space, along with utility and site improvements, parking lots, 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 and Improvements by the Company of machinery, equipment, fixtures and other items of tangible personal property (the "Equipment"; and, collectively 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").

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**Staff:** David J. Zembiec, CEO, Robin Stephenson, Economic Development Specialist

**Public Present:** Terry Countryman, Daniel Villa, Donald Bourquin

Mr. Zembiec opened the hearing at 1:07 p.m. and read the public hearing rules and public hearing notice. He reviewed the financial assistance for the project as well as the cost benefit analysis. He referred to the cost benefit analysis which was available for viewing as having a 28:1 benefit to cost ratio.

Mr. Terry Countryman of Chaumont, NY asked if the \$250,000 in the application was a grant by the JCIDA. Mr. Zembiec pointed out that was for loan financing split between the JCIDA and the North Country Alliance, not a grant. Mr. Donald Bourquin, also from Chaumont, NY, asked what the Town of Lyme would receive from the PILOT. Mr. Zembiec referred him to the cost benefit analysis summary on the table.

At 1:15 p.m., Mr. Zembiec closed the hearing.



David J. Zembiec  
Hearing Officer

**Jefferson County Industrial Development Agency**  
**Public Hearing**  
**Sign In Sheet**

**Date:** Tuesday, September 27, 2022

**Start Time:** 1:00 p.m.

**Location:** Town of Lyme Municipal Office, 12175 NYS Route 12E, Chaumont, NY 13622

**JCIDA Staff Member(s) Present:** David Zembiec, CEO, *Robin Stephenson*  
*Economic Development Specialist*

**Company Name:** Three Mile Bay Ventures LLC

<b>Print Name and Address</b>
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<i>Terry Countryman</i> <i>27197 Three Mile Pt. Rd.</i> <i>Chaumont, N.Y. 13622</i>	
<i>DAVID L. VILLA</i> <i>26130 County Route 57</i> <i>THREE MILE BAY, NY</i> <i>13622</i>	
<i>Donald Bourgaix</i> <i>12542 NYS 12E</i> <i>Chaumont NY 13622</i>	

## **AGENT AND FINANCIAL ASSISTANCE AND PROJECT AGREEMENT**

**THIS AGENT AND FINANCIAL ASSISTANCE AND PROJECT AGREEMENT** (herein, this “Agreement” or “Agent Agreement”), made as of June 26, 2023, by and between the **JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY**, a public benefit corporation duly existing under the laws of the State of New York with offices at 800 Starbuck Avenue, Suite 800, Watertown, New York 13601 (the “Agency”) and **THREE MILE BAY VENTURES LLC**, a New York limited liability company having offices at 21277 Fox Ridge Road, Watertown, New York 13601 (the “Company”).

### **WITNESSETH:**

WHEREAS, the Agency was created by Chapter 369 of the Laws of 1971 of the State of New York pursuant to Title I of Article 18-A of the General Municipal Law of the State of New York (collectively, the “Act”) as a body corporate and politic and as a public benefit corporation of the State of New York; and

WHEREAS, 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 57.68 acres of real property located at 7828 NYS Route 12E in the Town of Lyme, New York (the “Land”, being more particularly described as tax parcel No. 60.08-1-24.1); (ii) the planning, design, construction and operation of an approximately 10,000 square foot event-center destination facility, including five (5) cottages and laundromat space, along with utility and site improvements, parking lots, 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 and Improvements by the Company of machinery, equipment, fixtures and other items of tangible personal property (the “Equipment”; and, collectively 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, by Resolution dated October 6, 2022 (the “Resolution”), the Agency authorized the undertaking of the Project and appointed the Company to act as its agents for the purpose of acquiring, constructing and/or equipping the Facility, all subject to the Company entering into this Agreement; and

WHEREAS, by its Resolution, the Agency has conferred on the Company in connection with the Project certain benefits, exemptions and other financial assistance consisting of an exemption benefit from all New York State and local sales and use tax exemption benefits for purchases and rentals related to the Project with respect to the qualifying personal property included in or incorporated into the Facility or used in the acquisition, construction and/or equipping of the Facility (the “Financial Assistance”); and

WHEREAS, pursuant to and in accordance with Sections 859-a and 874 of the Act, the Agency requires, as a condition and as an inducement for it to provide any Financial Assistance,

that the Company enter into this Agent Agreement for the purposes of, among other things, to govern administration of and provide assurances with respect to the provision and recapture of said Financial Assistance upon the terms herein set forth; and

WHEREAS, this Agreement sets forth the terms and conditions under which Financial Assistance shall be provided to the Company; and

WHEREAS, no agent status in favor of the Company or any subagent(s) thereof, nor any amount of Financial Assistance shall be provided to the Company by the Agency prior to the effective date of this Agent Agreement.

NOW THEREFORE, in consideration of the covenants herein contained and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, it is mutually agreed as follows:

1. Purpose of Project; Scope of Agency. The purpose of the Agency's provision of Financial Assistance with respect to the Project is to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of the Project facility to advance job opportunities, health, general prosperity and economic welfare of the people of Jefferson County, and to specifically promote the investment commitment, employment commitment, and other commitments of the Company contained herein and within the Applicant's Application.

Pursuant to the Resolution, the Agency has appointed the Company as agents to undertake the Project, as defined herein and within the Resolution. The Company hereby agrees to limit its activities as agent for the Agency under the authority of the Resolution to acts reasonably related to the acquisition and installation of certain machinery, equipment and building materials, all for incorporation and installation thereof in and around the Facility. Pursuant to the Resolution and this Agent Agreement, the Company has the power to delegate such agency, in whole or in part, to agents, subagents, contractors, subcontractors, contractors and subcontractors of such agents and subagents and to such other parties as the Company chooses including but not limited to the individuals and entities described on Schedule A attached hereto (collectively, the "Subagent"). The Company shall have the right to amend Schedule A from time to time and shall be responsible for maintaining an accurate list of all parties acting as agent for the Agency. The Company's right to appoint subagents is expressly conditioned upon updating of Schedule A, hereto, along with the timely filing of Form ST-60 (non-primary) for each subagent, with such updated Schedule A and a copy of and proof of filing of such ST-60 (non-primary) being immediately filed with the Agency. The right of the Company, and all duly appointed subagents, to act as agent of the Agency shall expire on **December 31, 2023**, unless extended as contemplated by the Resolution. The aggregate amount of work performed by the Company and all subagents as agent for the Agency shall not exceed the amounts identified in the Resolution and Section 2(i)(5)(a) of this Agreement.

All contracts entered into by the Company, and all subagents thereof, as agent(s) for the Agency shall include the language contained within Schedule B, hereto. **Failure by the Company, or any subagent thereof to include such language shall disqualify the agent status and sales tax exemptions derived by virtue of this Agent Agreement. The Company,**

**for itself and on behalf of all duly appointed subagents, hereby agrees that all contracts entered into by either the Company and any subagents thereof shall be available to the Agency for inspection and confirmation of the foregoing mandatory language.**

2. Representations and Covenants of the Company. The Company makes the following representations and covenants in order to induce the Agency to proceed with the Project and appoint the Company as agents to undertake same:

(a) The Company is a limited liability company, duly organized, validly existing and in good standing under the law of the State of New York. The Company (i) has the authority to enter into this Agreement and (ii) has authorized the execution and delivery of this Agreement.

(b) Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby nor the fulfillment of or compliance with the provisions of this Agreement will conflict with or result in a breach of any of the terms, conditions or provisions of any restriction or any agreement or instrument to which the Company is a party or by which it is bound, or will constitute a default under any of the foregoing, or result in the creation or imposition of any lien of any nature upon any of the property of the Company under the terms of any such instrument or agreement.

(c) The providing of the Facility by the Agency and the leasing thereof by the Agency to the Company will not result in the removal of an industrial or manufacturing plant, facility or other commercial activity of the Company from one area of the State to another area of the State nor result in the abandonment of one or more commercial or manufacturing plants or facilities of the Company located within the State, except as may be provided under the Enabling Act; and the Agency has found that, based on the 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.

(d) The Facility and the operation thereof will conform with all applicable zoning, planning, building and environmental laws and regulations of governmental authorities having jurisdiction over the Facility, and the Company shall defend, indemnify and hold the Agency harmless from any liability or expenses resulting from any failure by the Company to comply with the provisions of this subsection (d). The Company shall operate the Facility in accordance with this Agreement and as a qualified "project" under the Act.

(e) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body pending or, to the knowledge of the Company, threatened against or affecting the Company, to which the Company is a party, and in which an adverse result would in any way diminish or adversely impact on the Company's ability to fulfill its obligations under this Agreement.

(f) The Company covenants that the Facility will comply in all respects with all environmental laws and regulations, and, except in compliance with environmental laws and regulations, (i) that no pollutants, contaminants, solid wastes, or toxic or hazardous substances will be stored, treated, generated, disposed of, or allowed to exist on the Facility except in compliance with all material applicable laws, (ii) the Company will take all reasonable and prudent steps to prevent an unlawful release of hazardous substances onto the Facility or onto any other property, (iii) that no asbestos will be incorporated into or disposed of on the Facility, (iv) that no underground storage tanks will be located on the Facility, and (v) that no investigation, order, agreement, notice, demand or settlement with respect to any of the above is threatened, anticipated, or in existence. The Company, upon receiving any information or notice contrary to the representations contained in this Section, shall immediately notify the Agency in writing with full details regarding the same. The Company hereby releases the Agency from liability with respect to, and agrees to defend, indemnify, and hold harmless the Agency, its executive director, directors, members, officers, employees, agents (other than the Company), representatives, successors, and assigns from and against any and all claims, demands, damages, costs, orders, liabilities, penalties, and expenses (including reasonable attorneys' fees) related in any way to any violation of the covenants or failure to be accurate of the representations contained in this Section. In the event the Agency in its reasonable discretion deems it necessary to perform due diligence with respect to any of the above, or to have an environmental audit performed with respect to the Facility, the Company agrees to pay the expenses of same to the Agency upon demand, and agrees that upon failure to do so, its obligation for such expenses shall be deemed to be additional rent.

(g) The Company has provided to the Agency a certificate or certificates of insurance containing all of the insurance provision requirements included herein. If the insurance is canceled for any reason whatsoever, or the same is allowed to lapse or expire, or there be any reduction in amount, or any material change is made in the coverage, such cancellation, lapse, expiration, reduction or change shall not be effective as to any mortgagee, loss payee or additional insured until at least thirty (30) days after receipt by such party of written notice by the insurer of such cancellation, lapse, expiration, reduction or change.

(h) Any personal property acquired by the Company in the name of the Agency shall be located in Jefferson County, New York, except for temporary periods during ordinary use.

(i) In accordance with Section 875(3) of the New York General Municipal Law, the policies of the Agency, and the Resolution, the Company covenants and agrees that it may be subject to a Recapture Event Determination resulting in the potential recapture of any and all New York State and local sales and use tax exemption benefits, as described below, if the Company receives, or its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project receives, any New York State and local sales and use tax exemption benefits from the Agency, and it is determined by the Agency that:

(1) the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project is not entitled to the sales and use tax exemption benefits; or

(2) the sales and use tax exemption benefits are in excess of the amounts authorized by the Agency to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project; or

(3) the sales and use tax exemption benefits are for property or services not authorized by the Agency as part of the Project; or

(4) the Company has not made a material false or misleading statement, or omitted any information which, if included, would have rendered any information in the application or supporting documentation false or misleading in any material respect, on its Application for Financial Assistance; or

(5) the Company fails to meet and maintain the thresholds and requirements representing certain material terms and conditions, said Material Term Commitment #1, and Material Term Commitment #2, as further defined below, being the purposes to be achieved by the Agency with respect to its determination to provide Financial Assistance to the Project and required by the Agency to be complied with and adhered to, as evidenced by submission, as so required by the Agency, of written confirmation certifying and confirming on an annual basis beginning in the first year in which Financial Assistance is so claimed, through the conclusion of the later of either: (i) two (2) years following the construction completion date or (ii) the termination of this Agent Agreement (said date hereinafter referred to as the "Project Completion Date" and the time period so referenced being hereinafter defined as the "Material Terms and Conditions Monitoring Period") confirming:

(a) Material Term Commitment #1 – Total Project Expenditure of \$8,300,000.00; and

(b) Material Term Commitment #2 – Project creation of fourteen (14) full-time jobs.

In order to certify and verify the foregoing, the Company shall provide annually, to the Agency, a certified statement and documentation: i) enumerating the full time equivalent jobs retained and the full time equivalent jobs created as a result of the financial assistance, by category, including full time equivalent independent contractors or employees of independent contractors that work at the project location ("Material Term Commitment #2"), (ii) indicating that the salary and fringe benefit averages or ranges for categories of jobs retained and jobs created that was provided in the application for Financial Assistance is still accurate and if it is not still accurate, providing a revised list of salary and fringe benefit averages or ranges for categories of jobs retained and jobs created, and

(iii) such other information, as so requested from time to time, to enable the Agency to assess the progress of the Project toward achieving the investment, job retention, job creation, or other objectives of the Project indicated in the Application for Financial Assistance.

The Company shall annually complete and submit to the Agency the Annual Certification Report in the form attached hereto as **Exhibit E. Failure by the Company to complete and submit said form to the Agency by February 15 of each year during the Material Terms and Conditions Monitoring Period shall constitute an Event of Default hereunder, whereby the Agency, in its sole and absolute discretion, may terminate this Agreement and undertake a Recapture Event Determination.**

The findings made by the Agency with respect to Section 2(i)(1), (2), (3) and/or (4) and/or failure to provide the written confirmation as required by Section 2(i)(5) with respect to the thresholds and requirements as identified in Section 2(i)(5), above, and/or failure to meet the thresholds and requirements as identified in Section 2(i)(5) above, may potentially be determined by the Agency, in accordance with the Agency's "Project Recapture and Termination Policy", to constitute a failure to comply with Section 875(3) of the New York General Municipal Law, and/or a failure to comply with a material term or condition to use property or services or Agency Financial Assistance in the manner approved by the Agency in connection with the Project, and/or a failure to comply with the Agency's policies and Resolution (collectively, findings and determinations made as described herein with respect to Section 2(i)(1), (2), (3) and/or (4) and/or the failure under Section 2(i)(5) to submit the required certification and/or the failure to meet the required thresholds and requirements as specified in Section 2(i)(5) are hereby defined as a "Recapture Event Determination"). If the Agency makes a Recapture Event Determination, the Company agrees and covenants that it will (i) cooperate with the Agency in its efforts to recover or recapture any or all Financial Assistance obtained by the Company and (ii) promptly pay over any or all such amounts to the Agency that the Agency demands in connection therewith. Upon receipt of such amounts, the Agency shall then redistribute such amounts to the appropriate affected tax jurisdiction(s). The Company further understands and agrees that in the event that the Company fails to pay over such amounts to the Agency, the New York State Tax Commissioner and/or local taxing authorities may assess and determine the Financial Assistance due from the Company, together with any relevant penalties and interest due on such amounts.

(j) In accordance with the Resolution and the Cost-Benefit Analysis (the "CBA") disclosed by the Agency at its public hearing for the Project (the "Public Hearing"), the Company further covenants that the purchase of goods and services relating to the Project and subject to New York State and local sales and use taxes are estimated in an amount up to **\$3,450,000.00**, and, therefore, the value of the sales and use tax exemption benefits authorized and approved by the Agency, subject to Section 2(i) of

this Agent Agreement, cannot exceed \$276,000.00 as disclosed within the CBA at the Public Hearing for the Project.

The Company hereby acknowledges and agrees that the foregoing Agency Financial Assistance constitutes "public funds" unless otherwise excluded under Section 224-a(3) of the New York Labor Law, and by executing this Agreement, (i) confirms that it has received notice from the Agency pursuant to Section 224-a(8)(d) of the New York Labor Law and (ii) acknowledges its obligations pursuant to Section 224-a(8)(a) of the New York Labor Law. Other than the Agency Financial Assistance estimates provided herein and disclosed to the Company, the Agency makes no representations or covenants with respect to the total sources of "public funds" received by the Company in connection with the Project. If and to the extent that the Company determines that it is necessary and desirable to reduce the overall amount of "public funds" to be received by the Company in connection with the Project, the Agency agrees to work cooperatively with the Company to adjust the total amount of Agency Financial Assistance to be provided to the Company, which will include, but may not be limited to amending this Agreement.

(k) The Company acknowledges and understands that a Recapture Event Determination made with respect to this Agreement will, in addition, immediately result in the loss and forfeiture of the Company's right and ability to obtain any and all future state and local sales and use tax exemptions with respect to the Project, and may result, in the sole discretion of the Agency, of loss and forfeiture of same with respect to a Recapture Event Determination made regarding this Agreement.

(l) The Company further covenants and agrees to complete "IDA Appointment of Project Operator or Agent For Sales Tax Purposes" (NYS Form ST-60), in the forms attached hereto as **Exhibit A**, for each agent, subagent, contractor, subcontractor, if any, contractors or subcontractors of such agents and subagents, if any, and such other parties as the Company chooses who provide materials, equipment, supplies or services and forward said form to the State Department of Taxation and Finance within thirty (30) days of appointment.

(m) The Company acknowledges and agrees that all purchases made in furtherance of the Project shall be made using "IDA Agent or Project Operator Exempt Purchase Certificate" (NYS Form ST-123, a copy of which is attached hereto as **Exhibit B**, and it shall be the responsibility of the Company (and not the Agency) to complete NYS Form ST-123. The Company acknowledges and agrees that it shall identify the Project on each bill and invoice for such purchases and further indicate on such bills or invoices that the Company is making purchases of tangible personal property or services for use in the Project as agent of the Agency. For purposes of indicating who the purchaser is, the Company acknowledges and agrees that the bill or invoice should state, *"I, [NAME OF AGENT/SUBAGENT], certify that I am a duly appointed agent of the [NAME OF IDA] and that I am purchasing the tangible personal property or services for use in the following IDA project and that such purchases qualify as exempt from sales and use taxes under the agent agreement with the Jefferson County Industrial Development Agency."* The Company further acknowledges and agrees that the following information shall be used by the Company to identify the Project (i.e., Three

*Mile Bay Ventures LLC Project – Town of Lyme) on each bill and invoice: “the name of the Project, the street address of the Project site, and IDA project number which is 2201-23-01A.”*

(n) The Company further covenants and agrees to file an annual statement with the State Department of Taxation and Finance on “Annual Report of Sales and Use Tax Exemptions” (NYS Form ST-340, a copy of which is attached hereto as **Exhibit C**) regarding the value of sales and use tax exemptions the Company, their agents, subagents, consultants or subcontractors have claimed pursuant to the agency conferred on the Company with respect to the Project in accordance with General Municipal Law Section 874(8). The Company further covenants and agrees that it will, within thirty (30) days of each filing, provide a copy of same to the Agency; provided, however, in no event later than February 15<sup>th</sup> of each year. The Company understands and agrees that the failure to file such annual statement will result in the removal of the Company’s authority to act as agent for the Agency.

(o) The Company acknowledges and agrees that, except to the extent of bond proceeds (to the extent bonds are issued by the Agency with respect to the Project), the Agency shall not be liable, either directly or indirectly or contingently, upon any such contract, agreement, invoice, bill or purchase order in any manner and to any extent whatsoever (including payment or performance obligations), and the Company shall be the sole party liable thereunder.

(p) The Company covenants and agrees that at all times during the Material Terms and Conditions Monitoring Period, it will (i) maintain its existence and not dissolve, (ii) continue to be a New York limited liability company subject to service of process in the State and either organized under the laws of the State, or organized under the laws of any other state of the United States and duly qualified to do business in the State, (iii) not liquidate, wind-up or dissolve or otherwise sell, assign, or dispose of all or substantially all of its property, business or assets. This Agreement may not be assigned in whole or part without the prior written consent of the Agency

(q) The Company confirms and acknowledges under the penalty of perjury that as of the date hereof, the Company, as owner, occupant, or operator of the Project receiving Financial Assistance from the Agency in connection with the Project, is in substantial compliance with all applicable local, state and federal tax, worker protection and environmental laws, rules and regulations. The Company agrees that it will, throughout the term of this Agent Agreement, promptly comply in all material respects with all statutes, codes, laws, acts, ordinances, orders, judgments, decrees, injunctions, rules, regulations, permits, licenses, authorizations, directions and requirements of all federal, state, county, municipal and other governments, departments, commissions, boards, companies or associations insuring the premises, courts, authorities, officials and officers, foreseen or unforeseen, ordinary or extraordinary, which now or at any time hereafter may be applicable to the Facility or any part thereof, or to any use, manner of use or condition of the Facility or any part thereof. Notwithstanding the foregoing, the Company may in good faith contest the validity of the applicability of any requirement of the nature referred to this Section 2(q). In such event, the Company, with the prior

written consent of the Agency (which shall not be unreasonably conditioned, delayed or withheld) may fail to comply with the requirement or requirements so contested during the period of such contest and any appeal therefrom unless the Agency shall notify the Company that it must comply with such requirement or requirements.

(r) The Company shall pay the Agency an administrative fee hereunder of **\$41,400.00**, payable as follows: on the earlier of the Company closing on certain permanent financing, relating to the Project, with the North Country Alliance or December 31, 2024.

3. Hold Harmless Provision. The Company hereby releases the Agency from, and agrees that the Agency shall not be liable for, and agrees to indemnify, defend and hold the Agency and its executive director, directors, members, officers, employees, agents (except the Company), representatives, successors and assigns harmless from and against, any and all (i) liability for loss or damage to property or injury to or death of any and all persons that may be occasioned by any cause whatsoever pertaining to the Facility or arising by reason of or in connection with the occupation or the use thereof or the presence on, in or about the Facility or breach by the Company of this Agreement or (ii) liability arising from or expense incurred by the Agency's financing, rehabilitating, renovation, equipping, owning and leasing of the Facility, including without limiting the generality of the foregoing, all causes of action and reasonable 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 foregoing indemnities shall apply notwithstanding the fault or negligence on the part of the Agency, or any of its respective executive director, directors, members, officers, agents or employees and irrespective of the breach of a statutory obligation or the application of any rule of comparative or apportioned liability, except that such indemnities will not be applicable with respect to willful misconduct or gross negligence on the part of the Agency or any other person or entity to be indemnified.

4. Insurance Required. Effective as of the date hereof and until the Agency consents in writing to a termination, the Company shall maintain or cause to be maintained insurance against such risks and for such amounts as are customarily insured against by businesses of like size and type paying, as the same become due and payable, all premiums in respect thereto. Such insurance shall be provided, in whole or in part, either through insurance carriers meeting the requirements of this Agreement or through a funded self-insurance program, and shall include, but not necessarily be limited to:

(a) (i) Insurance against loss or damage by fire, lightning and other casualties, with a uniform standard extended coverage endorsement, such insurance to be in an amount not less than the full replacement value of the Facility, exclusive of excavations and foundations, as determined by a recognized appraiser or insurer selected by the Company or (ii) as an alternative to the above requirements (including the requirement of periodic appraisal), the Company may insure the Facility under a blanket insurance policy or policies covering not only the Facility but other properties as well.

(b) Worker's compensation insurance, disability benefits insurance, and each other form of insurance which the Agency or the Company is required by law to provide,

covering loss resulting from injury, sickness, disability or death of employees of the Company who are located at or assigned to the Facility.

(c) Insurance against loss or losses from liabilities imposed by law or assumed in any written contract and arising from personal injury and death or damage to the property of others caused by any accident or occurrence, with limits of not less than \$1,000,000 per accident or occurrence on account of personal injury, including death resulting therefrom, and \$1,000,000 per accident or occurrence on account of damage to the property of others, excluding liability imposed upon the Company by any applicable worker's compensation law; and a blanket excess liability policy in the amount not less than \$5,000,000, protecting the Company against any loss or liability or damage for personal injury or property damage.

5. Additional Provisions Respecting Insurance. (a) All insurance required by Section 4(a) hereof shall name the Agency as a named insured and all other insurance required by Section 4 shall name the Agency as an additional insured other than Workers' Compensation Coverage. The Company shall cause all contractors and agents of the Company undertaking the Project to carry and provide evidence of insurance as required within Section 4(c) hereof, with the Agency named as an additional insured. All insurance shall be procured and maintained in financially sound and generally recognized responsible insurance companies selected by the Company and authorized to write such insurance in the State. Such insurance may be written with deductible amounts comparable to those on similar policies carried by other companies engaged in businesses similar in size, character and other respects to those in which the Company is engaged. All policies evidencing such insurance shall provide for (i) payment of the losses of the Company and the Agency as their respective interest may appear, and (ii) at least thirty (30) days prior written notice of the cancellation thereof to the Company and the Agency.

(b) All such policies of insurance, or a certificate or certificates of the insurers that such insurance is in force and effect, shall be deposited with the Agency on the date hereof. Prior to expiration of any such policy, the Company shall furnish the Agency evidence that the policy has been renewed or replaced or is no longer required by this Agreement.

6. Counterpart Signatures. This Agreement may be executed in any number of counterparts each of which shall be deemed an original but which together shall constitute a single instrument.

7. Notices. All notices, claims and other communications hereunder shall be in writing and shall be deemed to be duly given if personally delivered or mailed first class, postage prepaid, or by a nationally-recognized overnight courier, addressed as follows:

To the Agency:       Jefferson County Industrial Development Agency  
800 Starbuck Avenue, Suite 800  
Watertown, New York 13601  
Attn: Chief Executive Officer

And to:               Harris Beach PLLC  
677 Broadway, Suite 101

Albany, New York 12207  
Attn: Justin S. Miller, Esq.

To the Company: Three Mile Bay Ventures LLC  
21277 Fox Ridge Road  
Watertown, New York 13601  
Attn: Kurtis Bennett

With a Copy to: Kendall, Walton & Burrows  
120 Washington Street, Suite 500A  
Watertown, New York 13601  
Attn: Peter L. Walton, Esq.

or at such other address as any party may from time to time furnish to the other party by notice given in accordance with the provisions of this Section. All notices shall be deemed given when mailed or personally delivered in the manner provided in this Section. Notwithstanding anything herein to the contrary, for all notices, certificates and other communications with the Company, a copy of such notices, certificates and other communications shall be sent through electronic transmission to the email address provided above.

8. This Agreement shall be governed by, and all matters in connection herewith shall be construed and enforced in accordance with, the laws of the State of New York applicable to agreements executed and to be wholly performed therein and the parties hereto hereby agree to submit to the personal jurisdiction of the Federal or state courts located in Jefferson County, New York.

9. The obligations of Company under this Agreement shall be several, absolute and unconditional and shall remain in full force and effect until this Agreement has expired or been terminated.

10. All warranties, representations, and covenants made by Company herein shall be deemed to have been relied upon by the Agency and shall survive the delivery of this Agreement to the Agency regardless of any investigation made by the Agency.

11. The Company agrees not to take title to any real property as agent for the Agency. At any time prior to the expiration hereof, the Agency can transfer title to the Company of all assets acquired by the Company as agent for the Agency. Additionally, at any time prior to the expiration hereof, the Company can demand that the Agency transfer title to the Company with respect to all assets acquired by the Company as agent for the Agency, provided all amounts owed the Agency have been paid current.

12. By executing this Agreement, the Company covenants and agrees to pay all fees, costs and expenses incurred by the Agency for (1) legal services, including but not limited to those provided by the Agency's general counsel or bond/transaction counsel, (2) other consultants retained by the Agency, if any, in connection with the Project; in accordance with the terms of the Administrative Fee Agreement between the Company and the Agency, and (3) with respect to enforcing this Agreement (including reasonable attorneys' fees). The Agency counsel

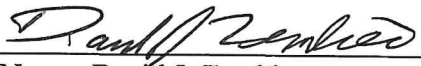
fees are based upon the Company's representations made in its application for Agency assistance and as established in accordance with the Agency counsel fee schedule. The Company further covenants and agrees to make a non-refundable payment upon execution of this Agreement in accordance with the terms of the Agency Counsel Fee Agreement. The Company further covenants and agrees that the Company is liable for payment to the Agency of all charges referred to above, as well as all other actual costs and expenses incurred by the Agency in undertaking the Project notwithstanding the occurrence of any of (1) the applicant's withdrawal, abandonment, cancellation or failure to pursue the Project; (2) the inability of the Agency or the Company to procure the services of one or more financial institutions to provide financing for the Project; or (3) the Company's failure, for whatever reason, to undertake and/or successfully complete the Project.

*[Remainder of Page Intentionally Left Blank]*

[Signature Page to Agent and Financial Assistance and Project Agreement]

IN WITNESS WHEREOF, the parties hereto have executed this Agent and Financial Assistance Agreement as of the day and year first above written.

JEFFERSON COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY

By:   
Name: David J. Zembiec  
Title: Chief Executive Officer

THREE MILE BAY VENTURES LLC  
By: KCB Ventures, LLC, its sole member

By: \_\_\_\_\_  
Name: Kurtis Bennett  
Title: Sole Member

[Signature Page to Agent and Financial Assistance and Project Agreement]

IN WITNESS WHEREOF, the parties hereto have executed this Agent and Financial Assistance Agreement as of the day and year first above written.

JEFFERSON COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY

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

Name: David J. Zembiec

Title: Chief Executive Officer

THREE MILE BAY VENTURES LLC

By: KCB Ventures, LLC, its sole member

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

Name: Kurtis Bennett

Title: Sole Member

**SCHEDULE A**

**LIST OF APPOINTED AGENTS<sup>1</sup>**

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_
6. \_\_\_\_\_
7. \_\_\_\_\_
8. \_\_\_\_\_
9. \_\_\_\_\_
10. \_\_\_\_\_

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<sup>1</sup> FOR EACH AGENT APPOINTED BY THE COMPANY, A NYS FORM ST-60 MUST BE COMPLETED AND FILED BY THE COMPANY WITH THE NYS DEPARTMENT OF TAXATION AND FINANCE IDA UNIT INDICATING THE APPOINTMENT OF SUCH AGENT OF THE COMPANY.

## **SCHEDULE B**

### **MANDATORY AGENT AND SUBAGENT CONTRACT LANGUAGE**

“This contract is being entered into by THREE MILE BAY VENTURES LLC (**the ”Applicant“**) (**OR, NAME OF SUBAGENT:** \_\_\_\_\_] (the ”Agent“), as agent for and on behalf of the **JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY** (the ”Agency“), in connection with a certain project consisting of: (i) the acquisition by the Agency of a leasehold interest in approximately 57.68 acres of real property located at 7828 NYS Route 12E in the Town of Lyme, New York (the “Land”, being more particularly described as tax parcel No. 60.08-1-24.1); (ii) the planning, design, construction and operation of an approximately 10,000 square foot event-center destination facility, including five (5) cottages and laundromat space, along with utility and site improvements, parking lots, 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 and Improvements by the Company of machinery, equipment, fixtures and other items of tangible personal property (the “Equipment”; and, collectively 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”). The acquisition of the machinery, equipment and building materials to be incorporated and installed in the Facility and all services and rentals of equipment related to the acquisition, construction and equipping of the Project shall be exempt from all New York State and local sales and use taxes if the acquisition thereof is effected in accordance with the terms and conditions set forth in the attached sales tax exemption information letter of the Agency; and the Agent hereby represents that this contract is in compliance with the terms of the Agent and Financial Assistance and Project Agreement by and between Three Mile Bay Ventures LLC, and the Agency, dated as of June 26, 2023. This contract is non-recourse to the Agency, and the Agency shall not be directly, indirectly or contingently liable or obligated hereunder in any manner or to any extent whatsoever. By execution or acceptance of this contract, the vendor/contractor hereby acknowledges and agrees to the terms and conditions set forth in this paragraph.”

**EXHIBIT A**

**NYS FORM ST-60 TO BE COMPLETED BY THE COMPANY  
AND FILED WITH NYS IDA UNIT FOR EACH OF ITS SUBAGENTS WITHIN  
THIRTY (30) DAYS OF APPOINTMENT**

**[Attached Next Page]**



Department of Taxation and Finance

# IDA Appointment of Project Operator or Agent For Sales Tax Purposes

**ST-60**  
(1/18)

The industrial development agency or authority (IDA) must submit this form within 30 days of the appointment of a project operator or agent, whether appointed directly by the IDA or indirectly by the operator or another agent.

**For IDA use only****IDA information**

Name of IDA Jefferson County Industrial Development Agency			IDA project number (use OSC numbering system for projects after 1998) 2201-23-01A	
Street address 800 Starbuck Avenue, Suite 800			Telephone number (315 ) 782-5865	
City Watertown	State NY	ZIP code 13601	Email address (optional)	

**Project operator or agent information**

Name of IDA project operator or agent		Mark an X in the box if directly appointed by the IDA: <input type="checkbox"/>	Employer identification or Social Security number	
Street address		Telephone number ( )	Primary operator or agent? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
City	State	ZIP code	Email address (optional)	

**Project information**

Name of project Three Mile Bay Ventures LLC - 2023 Project			
Street address of project site 7828 NYS Route 12E			
City Lyme	State NY	ZIP code 13693	Email address (optional)
Purpose of project (i) the acquisition by the Agency of a leasehold interest in approximately 57.68 acres of real property located at 7828 NYS Route 12E in the Town of Lyme, New York (the "Land", being more particularly described as tax parcel No. 60.08-1-24.1); (ii) the planning, design, construction and operation of an approximately 10,000 square foot event-center destination facility, including five (5) cottages and laundromat space, along with utility and site improvements, parking lots, 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 and Improvements by the Company of machinery, equipment, fixtures and other items of tangible personal property (the "Equipment"; and, collectively with the Land and the Improvements, the "Facility")			

Description of goods and services intended to be exempted from New York State and local sales and use taxes			
Date project operator or agent appointed (mmddyy)	Date project operator or agent status ends (mmddyy)	123123	Mark an X in the box if this is an extension to an original project: <input type="checkbox"/>
Estimated value of goods and services that will be exempt from New York State and local sales and use tax: 3,450,000.00		Estimated value of New York State and local sales and use tax exemption provided: 276,000.00	

**Certification:** I certify that the above statements are true, complete, and correct, and that no material information has been omitted. I make these statements with the knowledge that willfully providing false or fraudulent information with this document may constitute a felony or other crime under New York State Law, punishable by a substantial fine and possible jail sentence. I also understand that the Tax Department is authorized to investigate the validity of any information entered on this document.

Print name of officer or employee signing on behalf of the IDA David J. Zembiec		Print title Chief Executive Officer	
Signature 		Date 06-26-2023	Telephone number ( 315 ) 782-5865

## Instructions

### When to file

An IDA must file this form within 30 days of the date they appoint any project operator or other person as agent of the IDA, for purposes of extending any sales and use tax exemptions.

### Requirements to file

The IDA must file a separate form for each person it appoints as agent, whether directly or indirectly, and regardless of whether the person is the primary project operator or agent. If the IDA authorizes a project operator or agent to appoint other persons as agent of the IDA, the operator or agent making such an appointment must advise the IDA that it has done so, so that the IDA can file a form within 30 days of the date of the new agent's appointment. The IDA should not file this form for a person hired to work on an IDA project if that person is not appointed as agent of the IDA. The IDA should not file this form if they do not extend any sales or use tax exemption benefits for the project.

If an IDA modifies a project, such as by extending it beyond its original completion date, or by increasing or decreasing the amount of sales and use tax exemption benefits authorized for the project, they must, within 30 days of the change, file a new form with the new information.

### If the information on this form changes

If an IDA amends, revokes, or cancels the appointment of an agent, or if an agent's appointment becomes invalid for any reason, the IDA, within 30 days, must send a letter to the address below for filing this form, indicating that the appointment has been amended, revoked, or cancelled, or is no longer valid, and the effective date of the change. They must attach to the letter a copy of the form it originally filed. The IDA should not send a letter for a form that is not valid merely because the *Completion date of project* has passed.

### Mailing instructions

Mail completed form to:

**NYS TAX DEPARTMENT  
IDA UNIT  
W A HARRIMAN CAMPUS  
ALBANY NY 12227-0866**

**Private delivery services** – See Publication 55,  
*Designated Private Delivery Services.*

### Privacy notification

New York State Law requires all government agencies that maintain a system of records to provide notification of the legal authority for any request for personal information, the principal purpose(s) for which the information is to be collected, and where it will be maintained. To view this information, visit our website, or, if you do not have Internet access, call and request Publication 54, *Privacy Notification*. See *Need help?* for the Web address and telephone number.

### Need help?



Visit our website at **[www.tax.ny.gov](http://www.tax.ny.gov)**

- get information and manage your taxes online
- check for new online services and features

### Telephone assistance

Sales Tax Information Center:	518-485-2889
To order forms and publications:	518-457-5431
Text Telephone (TTY) or TDD equipment users	Dial 7-1-1 for the New York Relay Service

**EXHIBIT B**

**NYS FORM ST-123 TO BE COMPLETED BY THE COMPANY  
AND FILED WITH NYS IDA UNIT FOR EACH OF ITS SUBAGENTS**

**[Attached Next Page]**

**IDA Agent or Project Operator  
Exempt Purchase Certificate****Effective for projects beginning on or after June 1, 2014****ST-123**  
(7/14)

This certificate is not valid unless all entries have been completed.

**Note:** To be completed by the purchaser and given to the seller. Do not use this form to purchase motor fuel or diesel motor fuel exempt from tax. See Form FT-123, *IDA Agent or Project Operator Exempt Purchase Certificate for Fuel*.

Name of seller	Name of agent or project operator		
Street address	Street address		
City, town, or village	State	ZIP code	
Agent or project operator sales tax ID number (see instructions)			

Mark an **X** in one: ☐ Single-purchase certificate ☒ Blanket-purchase certificate (valid only for the project listed below)**To the seller:**

You must identify the project on each bill and invoice for such purchases and indicate on the bill or invoice that the IDA or agent or project operator of the IDA was the purchaser.

**Project information**

I certify that I am a duly appointed agent or project operator of the named IDA and that I am purchasing the tangible personal property or services for use in the following IDA project and that such purchases qualify as exempt from sales and use taxes under my agreement with the IDA.

Name of IDA		
Jefferson County Industrial Development Agency		
Name of project	IDA project number (use OSC number)	
Three Mile Bay Ventures LLC - 2023 Project	2201-23-01A	
Street address of project site		
7828 NYS Route 12E		
City, town, or village	State	ZIP code
Lyme	NY	13693
Enter the date that you were appointed agent or project operator (mm/dd/yy) .....	/	/
Enter the date that agent or project operator status ends (mm/dd/yy) .....	12	31 / 23

**Exempt purchases**(Mark an **X** in boxes that apply)

- ☐ A. Tangible personal property or services (other than utility services and motor vehicles or tangible personal property installed in a qualifying motor vehicle) used to complete the project, but not to operate the completed project
- ☐ B. Certain utility services (gas, propane in containers of 100 pounds or more, electricity, refrigeration, or steam) used to complete the project, but not to operate the completed project
- ☐ C. Motor vehicle or tangible personal property installed in a qualifying motor vehicle

**Certification:** I certify that the above statements are true, complete, and correct, and that no material information has been omitted. I make these statements and issue this exemption certificate with the knowledge that this document provides evidence that state and local sales or use taxes do not apply to a transaction or transactions for which I tendered this document and that willfully issuing this document with the intent to evade any such tax may constitute a felony or other crime under New York State Law, punishable by a substantial fine and a possible jail sentence. I understand that this document is required to be filed with, and delivered to, the vendor as agent for the Tax Department for the purposes of Tax Law section 1838 and is deemed a document required to be filed with the Tax Department for the purpose of prosecution of offenses. I also understand that the Tax Department is authorized to investigate the validity of tax exclusions or exemptions claimed and the accuracy of any information entered on this document.

Signature of purchaser or purchaser's representative (include title and relationship)	Date
Type or print the name, title, and relationship that appear in the signature box	

## Instructions

### To the purchaser

You may use Form ST-123 if you:

- have been appointed as an agent or project operator by an industrial development agency (IDA) and
- the purchases qualify for exemption from sales and use tax as described in the IDA contract.

You may use Form ST-123 as a single-purchase certificate or as a blanket certificate covering the first and subsequent purchases qualifying for the project listed.

**Agent or project operator sales tax ID number** — If you are registered with the Tax Department for sales tax purposes, you must enter your sales tax identification number on this certificate. If you are not required to be registered, enter *N/A*.

*Industrial development agencies and authorities (IDAs)* are public benefit corporations under General Municipal Law Article 18-A and the Public Authorities Law, for the purpose of promoting, developing, encouraging, and assisting in the acquisition, construction, reconstruction, improvement, maintenance, equipping, and furnishing of industrial, manufacturing, warehousing, commercial, research, and recreational facilities in New York State.

IDAs are exempt from the payment of sales and use tax on their purchases, in accordance with Tax Law section 1116(a)(1). However, IDAs do not normally make direct purchases for projects. Commonly, IDAs instead appoint a business enterprise or developer, contractor, or subcontractor as its agent or project operator. Such purchases made by the agent or project operator, acting within the authority granted by the IDA, are deemed to be made by the IDA and therefore exempt from tax.

*Example 1: IDA agreement with its agent or project operator states that contractor X may make all purchases of materials and equipment necessary for completion of the project, as agent for the IDA. Contractor X rents a backhoe and a bulldozer for site preparation, purchases concrete and lumber to construct a building, and purchases machinery to be installed in the building. All these purchases by contractor X as agent of the IDA are exempt from tax.*

*Example 2: IDA agreement with its agent or project operator states that contractor X may make all purchases of materials and equipment to be incorporated into the project, as agent for the IDA. Contractor X makes the same purchases as in Example 1. Since the concrete, lumber, and machinery will actually be incorporated into the project, contractor X may purchase these items exempt from tax. However, rental of the backhoe and bulldozer is not exempt since these transactions are normally taxable and the IDA agreement does not authorize contractor X to make such rentals as agent of the IDA.*

A contractor or subcontractor not appointed as agent or project operator of an IDA must present suppliers with Form ST-120.1, *Contractor Exempt Purchase Certificate*, when making purchases that are ordinarily exempt from tax in accordance with Tax Law sections 1115(a)(15) and 1115(a)(16). For more information, see Form ST-120.1.

### Exempt purchases

To qualify, the purchases must be made within the authority granted by the IDA and used to complete the project (not to operate the completed project).

- Mark box A to indicate you are purchasing tangible personal property and services (other than utility services and motor vehicles or tangible personal property installed in a qualifying motor vehicle) exempt from tax.
- Mark box B to indicate you are purchasing certain consumer utility services used in completing the project exempt from tax. This includes gas, electricity, refrigeration, and steam; and gas, electric, refrigeration, and steam services.
- Mark box C to indicate you are purchasing a motor vehicle or tangible personal property related to a qualifying motor vehicle exempt from tax.

### Misuse of this certificate

Misuse of this exemption certificate may subject you to serious civil and criminal sanctions in addition to the payment of any tax and interest due. These include:

- A penalty equal to 100% of the tax due;
- A \$50 penalty for each fraudulent exemption certificate issued;
- Criminal felony prosecution, punishable by a substantial fine and a possible jail sentence; and
- Revocation of your *Certificate of Authority*, if you are required to be registered as a vendor. See TSB-M-09(17)S, *Amendments that Encourage Compliance with the Tax Law and Enhance the Tax Department's Enforcement Ability*, for more information.

### To the seller

When making purchases as agent or project operator of an IDA, the purchaser must provide you with this exemption certificate with all entries completed to establish the right to the exemption. You **must** identify the project on each bill and invoice for such purchases and indicate on the bill or invoice that the IDA or agent or project operator of the IDA was the purchaser.

As a New York State registered vendor, you may accept an exemption certificate in lieu of collecting tax and be protected from liability for the tax if the certificate is valid. The certificate will be considered valid if it is:

- accepted in good faith;
- in your possession within 90 days of the transaction; and
- properly completed (all required entries were made).

An exemption certificate is accepted in good faith when you have no knowledge that the exemption certificate is false or is fraudulently given, and you exercise reasonable ordinary due care. If you do not receive a properly completed certificate within 90 days after the delivery of the property or service, you will share with the purchaser the burden of proving the sale was exempt.

You must also maintain a method of associating an invoice (or other source document) for an exempt sale with the exemption certificate you have on file from the purchaser. You must keep this certificate at least three years after the due date of your sales tax return to which it relates, or the date the return was filed, if later.

### Privacy notification

New York State Law requires all government agencies that maintain a system of records to provide notification of the legal authority for any request, the principal purpose(s) for which the information is to be collected, and where it will be maintained. To view this information, visit our Web site, or, if you do not have Internet access, call and request Publication 54, *Privacy Notification*. See *Need help?* for the Web address and telephone number.

### Need help?



Visit our Web site at [www.tax.ny.gov](http://www.tax.ny.gov)

- get information and manage your taxes online
- check for new online services and features



**Sales Tax Information Center:** (518) 485-2889

To order forms and publications: (518) 457-5431



**Text Telephone (TTY) Hotline**

(for persons with hearing and speech disabilities using a TTY): (518) 485-5082

**EXHIBIT C**

**NYS FORM ST-340**

**[Attached Next Page]**

**Annual Report of Sales and Use  
Tax Exemptions Claimed by  
Agent/Project Operator of Industrial  
Development Agency/Authority (IDA)****ST-340**  
(1/18)

For period ending December 31, \_\_\_\_\_ (enter year)

**Project information**

Name of IDA agent/project operator		Employer identification number (EIN)	
Street address		Telephone number (      )	
City		State	ZIP code
Name of IDA Jefferson County Industrial Development Agency		Name of project Three Mile Bay Ventures LLC - 2023 Project	IDA project number 2201-23-01A
Street address of project site 7828 NYS Route 12E			
City Lyme		State NY	ZIP code 13693
Date project began		Completion date of project Actual <input type="checkbox"/> Expected <input type="checkbox"/>	
Total sales and use tax exemptions (actual tax savings; not total purchases) .....			\$

**Representative information (not required)**

Authorized representative, if any	Title
Street address	Telephone number (      )
City	State      ZIP code

**Certification**

I certify that the above statements are true, complete, and correct, and that no material information has been omitted. I make these statements with the knowledge that willfully providing false or fraudulent information with this document may constitute a felony or other crime under New York State Law, punishable by a substantial fine and possible jail sentence. I also understand that the Tax Department is authorized to investigate the validity of any information entered on this document.	
Print name of officer, employee, or authorized representative	Title of person signing
Signature	Date

**If you do not** annually file a complete report, **we may remove** your authority to act as an IDA agent/project operator.

Mail completed report to:

**NYS TAX DEPARTMENT  
IDA UNIT  
W A HARRIMAN CAMPUS  
ALBANY NY 12227-0866**If not using U.S. Mail, see Publication 55, *Designated Private Delivery Services*.

## Instructions

### General information

#### Who must file

The General Municipal Law (GML) and the Public Authorities Law require the agent/project operator (also known as the *project occupant*) of an Industrial Development Agency or Authority (IDA) to file an annual report with the Tax Department. The agent/project operator required to file this report is the person **directly** appointed by the IDA to act for and to represent the IDA for the project. The agent/project operator is ordinarily the one for whom the IDA project was created.

There is usually only one agent/project operator directly appointed by the IDA for an IDA project. However, if the IDA directly appoints multiple agents/project operators, each agent/project operator must file this form (unless they are related corporations).

Only the agent/project operators directly appointed by the IDA must file Form ST-340. Contractors, subcontractors, consultants, or agents appointed by the agent/project operators should **not** themselves file Form ST-340. However, the agent/project operators must include on Form ST-340 information obtained from such contractors, subcontractors, consultants, and agents, as described below.

#### What you must report

The report must show the **total value** of all state and local **sales and use taxes exempted** during the calendar year, as a result of the project's designation as an IDA project. This includes:

- the value of the exemptions the agent/project operator (you) obtained; and
- the value of the exemptions obtained by your contractors, subcontractors, consultants, and others, whether or not appointed as agents of the IDA.

Include only the **total combined** exemptions obtained by the above people. A breakdown of the total is not required. However, since the report must include the value of the exemptions they obtained, you must keep records of the amounts others report to you.

You must make it clear to the contractors, subcontractors, consultants, and others that they must keep accurate tax information and have it available, so that you can comply with the annual reporting requirements.

Do not include on this report the amount of any sales and use tax exemptions from other provisions of the Tax Law (for example, manufacturer's production equipment exemption, research and development exemption, or contractor's exemption for tangible personal property incorporated into a project of an exempt organization).

#### When the report is due

You must file Form ST-340 on a calendar-year basis. It is due by the last day of February of the following year. The reporting requirement applies to IDA projects started on or after July 21, 1993.

#### Project information

At the top of the form, identify the reporting period by entering the year in the space provided. If an address is required, always include the ZIP code.

**Name of IDA agent/project operator:** Enter your name, address, employer identification number (EIN), and telephone number.

**Name of IDA and IDA project number:** Enter the name and address of the IDA. If more than one IDA is involved in a particular project, you must file a separate report for the tax exemptions attributable to each IDA. Also enter the ID project number.

**Name of project:** Enter the name of the project and the address of the project site. If you are involved in more than one project, you

must file a separate report for each project, even if authorized by the same IDA.

**Date project began:** Enter the date the project started (this means the earliest of the date of any bond or inducement resolution, the execution of any lease, or any bond issuance). Include month, day, and year.

**Completion date of project:** Enter the date installation, lease, or rental of property (for example, machinery or computers) on the project ended, or the date the project is expected to be completed. Mark an **X** in the appropriate box to indicate if the date entered is actual or expected.

**Total sales and use tax exemptions:** Enter the total amount of New York State and local sales and use taxes exempted during the reporting period as a result of the project's receipt of IDA financial assistance (*if none, enter 0*). This includes exemptions obtained at the time of purchase, as well as through a refund or credit of tax paid. Include the sales and use taxes exempted on purchases of property or services incorporated into or used on the exempt project. This includes the taxes exempted on purchases made by or on behalf of the agent/project operator, the general contractor for the project, and any subcontractors, consultants, or others. Do **not** enter total purchases.

### Representative information

If applicable, enter the name, address, title (for example, attorney or accountant), and telephone number of the individual you authorize to submit this report. This section is not required.

### Certification

Enter the name and title of the person signing on your behalf (for example, the IDA agent/project operator's officer, employee, or other authorized representative). Your officer, employee, or authorized representative must sign and date the report.

Mail completed report to:

**NYS TAX DEPARTMENT  
IDA UNIT  
W A HARRIMAN CAMPUS  
ALBANY NY 12227-0866**

If not using U.S. Mail, see Publication 55, *Designated Private Delivery Services*.

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**EXHIBIT D**

**COPY OF COST-BENEFIT ANALYSIS**

# Jefferson County Industrial Development Agency

## MRB Cost Benefit Calculator

Date August 26, 2022  
Project Title Sally Port View, LLC  
Project Location 7828 NYS Rt. 12E, Three Mile Bay, NY 13693



## Economic Impacts

Summary of Economic Impacts over the Life of the PILOT

Project Total Investment

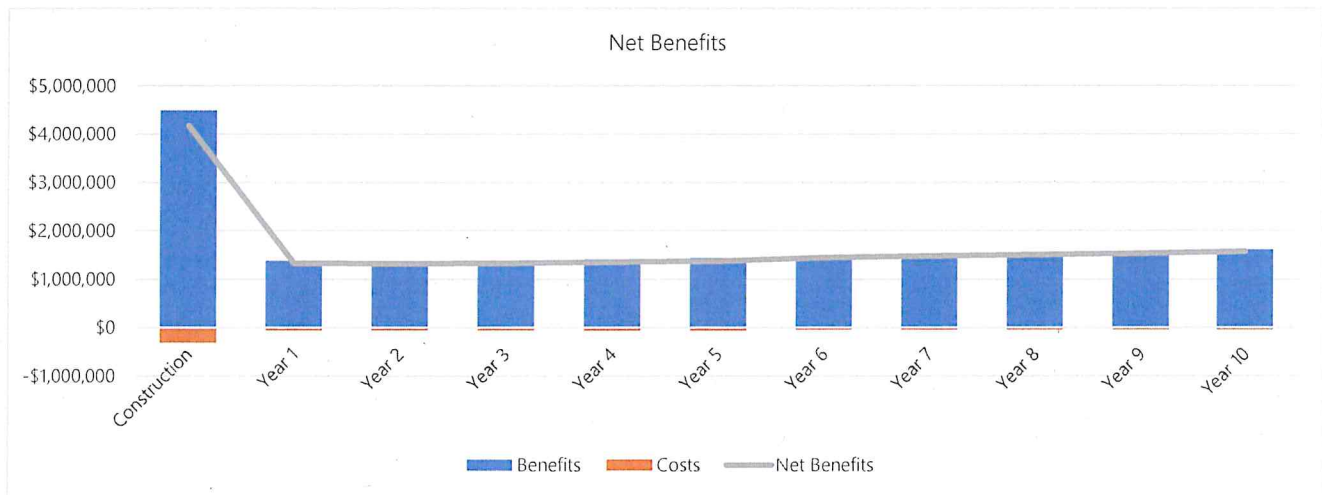
\$8,350,000

Temporary (Construction)			
	Direct	Indirect	Total
Jobs	34	17	51
Earnings	\$3,453,032	\$788,792	\$4,241,824
Local Spend	\$8,350,000	\$2,832,571	\$11,182,571

Ongoing (Operations)			
Aggregate over life of the PILOT			
	Direct	Indirect	Total
Jobs	14	2	16
Earnings	\$15,959,775	\$5,598,981	\$21,558,756

Figure 1



Net Benefits chart will always display construction through year 10, irrespective of the length of the PILOT.

Figure 2

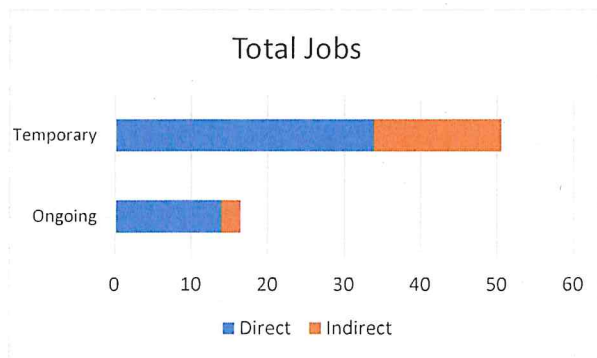
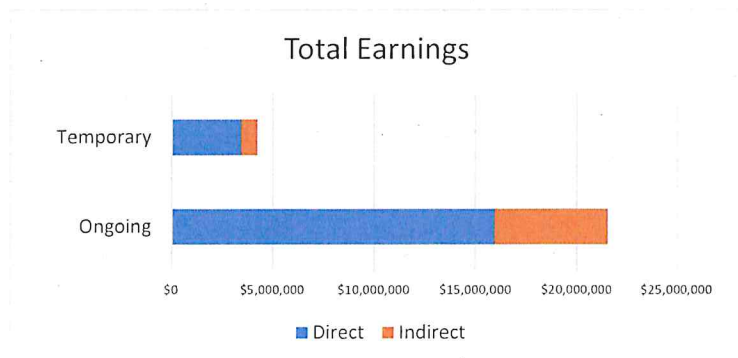


Figure 3



Ongoing earnings are all earnings over the life of the PILOT.

## Fiscal Impacts



Cost-Benefit Analysis Tool powered by MRB Group

### Estimated Costs of Exemptions

	Nominal Value	Discounted Value*
Property Tax Exemption	\$622,428	\$547,299
Sales Tax Exemption	\$276,000	\$276,000
Local Sales Tax Exemption	\$128,800	\$128,800
State Sales Tax Exemption	\$147,200	\$147,200
Mortgage Recording Tax Exemption	\$37,500	\$37,500
Local Mortgage Recording Tax Exemption	\$12,500	\$12,500
State Mortgage Recording Tax Exemption	\$25,000	\$25,000
<b>Total Costs</b>	<b>\$935,928</b>	<b>\$860,799</b>

### State and Local Benefits

	Nominal Value	Discounted Value*
Local Benefits	\$26,549,696	\$23,206,581
To Private Individuals	\$25,800,580	\$22,584,175
Temporary Payroll	\$4,241,824	\$4,241,824
Ongoing Payroll	\$21,558,756	\$18,342,351
Other Payments to Private Individuals	\$0	\$0
To the Public	\$749,117	\$622,406
Increase in Property Tax Revenue	\$591,088	\$484,077
Temporary Jobs - Sales Tax Revenue	\$25,981	\$25,981
Ongoing Jobs - Sales Tax Revenue	\$132,047	\$112,347
Other Local Municipal Revenue	\$0	\$0
State Benefits	\$1,341,630	\$1,174,377
To the Public	\$1,341,630	\$1,174,377
Temporary Income Tax Revenue	\$190,882	\$190,882
Ongoing Income Tax Revenue	\$970,144	\$825,406
Temporary Jobs - Sales Tax Revenue	\$29,693	\$29,693
Ongoing Jobs - Sales Tax Revenue	\$150,911	\$128,396
<b>Total Benefits to State &amp; Region</b>	<b>\$27,891,326</b>	<b>\$24,380,958</b>

### Benefit to Cost Ratio

	Benefit*	Cost*	Ratio
Local	\$23,206,581	\$688,599	34:1
State	\$1,174,377	\$172,200	7:1
<b>Grand Total</b>	<b>\$24,380,958</b>	<b>\$860,799</b>	<b>28:1</b>

\*Discounted at 2%

### Additional Comments from IDA

Does the IDA believe that the project can be accomplished in a timely fashion? Yes

## **EXHIBIT E**

### **FORM OF ANNUAL EMPLOYMENT AND FINANCIAL ASSISTANCE CERTIFICATION LETTER**

Company name and address:

Project Name:

#### **Job Information**

Current number of full time equivalent employees ("FTE") retained at the project location, including FTE contractors or employees of independent contractors that work at the project location, by job category:

<b>Category</b>	<b>FTE</b>	<b>Average Salary and Fringe Benefits or Ranges</b>
Management	_____	_____
Professional	_____	_____
Administrative	_____	_____
Production	_____	_____
Other	_____	_____
Other	_____	_____

Current number of full time equivalent employees ("FTE") created at the project location, including FTE contractors or employees of independent contractors that work at the project location, by job category:

<b>Category</b>	<b>FTE</b>	<b>Average Salary and Fringe Benefits or Ranges</b>
Management	_____	_____
Professional	_____	_____
Administrative	_____	_____
Production	_____	_____
Other	_____	_____
Other	_____	_____

**A copy of the NYS-45 form for the project location is required to be submitted with this report. If the NYS-45 form is not available for the specific project location or the form does not accurately reflect the full time jobs created, an internal payroll report verifying the total jobs by employment category as outlined above at the location is required with this submission.**

**Financing Information**

Has the Agency provided project financing assistance (generally through issuance of a bond or note)

Yes      No

If financing assistance was provided, please provide:

- Original principal balance of bond or note issued \_\_\_\_\_
- Outstanding principal balance of such bond or note  
as of December 31 \_\_\_\_\_
- Outstanding principal balance of such bond or note  
as of December 31 \_\_\_\_\_

Final maturity date of the bond or note \_\_\_\_\_

**Sales Tax Abatement Information**

Did your Company or any appointed subagents receive Sales Tax Abatement for your Project during the prior year?

Yes      No

If so, please provide the amount of sales tax savings received by the Company and all appointed subagents \_\_\_\_\_

**(Attach copies of all ST-340 sales tax reports that were submitted to New York State by the Company and all subagents for the reporting period. Please also attached all ST-60's filed for subagents for the reporting period)**

**Mortgage Recording Tax Information**

Did your company receive Mortgage Tax Abatement on your Project during the prior year?

Yes      No

(note this would only be applicable to the year that a mortgage was placed upon the Project, so if the Agency did not close a mortgage with you during the reporting period, the answer should be no)

The amount of the mortgage recording tax that was exempted during the reporting period:

\_\_\_\_\_

**PILOT INFORMATION:**

County Real Property Tax without PILOT \$ \_\_\_\_\_  
City/Town Property Tax without PILOT \$ \_\_\_\_\_  
School Property Tax without PILOT \$ \_\_\_\_\_  
TOTAL PROPERTY TAXES WITHOUT PILOT \$ \_\_\_\_\_

Total PILOT Payments made for reporting period: \$ \_\_\_\_\_

Whether paid separately or lump sum to Agency for distribution, please provide break down of allocation of PILOT Payment to individual taxing jurisdictions:

County PILOT \$ \_\_\_\_\_  
City/Town PILOT \$ \_\_\_\_\_

Village PILOT \$ \_\_\_\_\_  
School PILOT \$ \_\_\_\_\_  
TOTAL PILOTS \$ \_\_\_\_\_

Net Exemptions \$ \_\_\_\_\_  
(subtract Total PILOTS from TOTAL property taxes without PILOT)

I certify that to the best of my knowledge and belief all of the information on this form is correct. I further certify that the salary and fringe benefit averages or ranges for the categories of jobs retained and the jobs created that was provided in the Application for Financial Assistance is still accurate and if not, I hereby attach a revised list of salary and fringe benefit averages or ranges for categories of jobs retained and jobs created. I also understand that failure to report completely and accurately may result in enforcement of provisions of my agreement, including but not limited to avoidance of the agreement and potential claw back of benefits.

Signed: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

(authorized company representative)

Date: \_\_\_\_\_