

**Jefferson County Industrial Development Agency
Board Meeting Minutes
February 6, 2025**

The Jefferson County Industrial Development Agency held its board meeting on Thursday, February 6, 2025 in the board room at 800 Starbuck Avenue, Watertown, NY.

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

Excused: None

Absent: None

Also Present: Charles Capone, Rob Aiken, Dawn Robinson, Ryan Piche (Jefferson County Administrator) Zoom: Justin Miller, Esq. and Dave Capriotti, Esq. (Harris Beach), Craig Fox (Watertown Daily Times), Jennifer Gaffney & Audrey Stevenson (Sackets Harbor School District), Diana Boylan (AES)

Staff Present: Marshall Weir, Jay Matteson, Lyle Eaton, Peggy Sampson, Robin Stephenson

- I. Call to Order:** Chairman Aliasso called the meeting to order at 8:20 a.m.
- II. Privilege of the Floor:** No one spoke.
- III. Minutes:** Minutes of the meeting held on January 9, 2025 were presented. A motion to approve the minutes as presented was made by Ms. L’Huillier, seconded by Mr. Johnson. All in favor. Carried.
- IV. Treasurer’s Report:** Mr. Warneck reviewed the financials for the period ending January 31, 2025. He said the PILOTs were billed. Mr. Eaton said that he is awaiting payment from two of them. Mr. Warneck reviewed the MICRO delinquency accounts – Painful Acres, Taste of Design, and Colleen’s Cherry Tree Inn (CCTI). Ms. Stephenson said that we are expecting payment from CCTI. After discussion, a motion was made by Mr. Warneck to accept the financial statement as presented, seconded by Mr. Johnson. All in favor. Carried.
- V. Committee Reports:**
 - a. Alternative Energy** – Mr. Warneck noted that the AES PILOT application did not go through the energy or the loan review committees. He said they will go through committee in the future unless there is a change in procedure from the board. Mr. Converse said today’s resolution is for the initial resolution and pointed out that there is still time to send it through committee.
 - b. Building and Grounds Committee** – Mr. Condino asked Mr. Weir if he received a formal request from Alex Morgia regarding the sign in the corporate park. Mr. Weir said no. Mr. Converse asked about the status of the sewer project at the Business Complex. Mr. Condino indicated that the project is almost finished and will be completed in the spring.

**Jefferson County Industrial Development Agency
Board Meeting Minutes
February 6, 2025**

VI. New Business:

- 1. Resolution No. 02.06.2025.01 to Borrow Money from JCLDC** – A request to borrow a \$1,500,000 non-interest-bearing loan with no maturity date from JCLDC for the sewer line expansion project at the Business Complex at the Watertown International Airport. Any grant proceeds will be used to pay down the loan. A motion was made by Mr. Warneck to approve the resolution, seconded by Mr. Converse. All in favor. Carried.

Mr. Walldroff asked what the bid quote was for the sewer project. Mr. Weir said that our piece was approximately \$1.2M.

Jennifer Gaffney and Audrey Stevenson joined the meeting via Zoom at 8:27 a.m.

VII. Counsel:

- 1. Initial Project Resolution No. 02.06.2025.02 for AES Black River Solar, LLC** – A resolution accepting an application and authorizing the scheduling and conduct of a public hearing.

Mr. Warneck said the state created a valuation system that assessors are required to use to estimate the market value of these projects. He said they have released the 2025 preliminary model and he ran this project through but indicated that he didn't know whether they had a community credit and what their lease terms were, so he used leases from similar-sized projects. He said this project has a \$9.2M value through the model if they don't make any changes, and it's going to be in the mid \$3.4M probably before land which by the time you apply the equalization rates it's going to generate about 61% of full taxation. He said our UTEP is set up for 50% so we'll receive more than the UTEP in year one and we have a declining model so there's no way to project what the overall over the life of the PILOT will be. He said these terms are consistent with every other community solar project has paid.

Diana Boylan and Attorney Dave Capriotti joined the meeting via Zoom at 8:32 a.m.

Chairman Aliasso asked about the sales tax exemption and mortgage recording estimates. Mr. Warneck asked if the board has waived sales tax in previous PILOTs. Mr. Eaton said sales tax exemption has not been given to any of the solar project PILOTs.

Mr. Johnson asked where the project will be located. Mr. Warneck said across from Burton Road on Route 3 in the Town of Hounsfield and noted that it won't be seen from the road. Mr. Condino said there will be a natural screening because of the vegetation.

Attorney Miller said that as a matter of policy the IDA doesn't formally approve any sales tax exemptions for solar, so when we move to the public hearing we'll drop that aspect and it will be eliminated in the project authorizing resolution as well.

Mr. Weir introduced Diana Boylan from AES.

**Jefferson County Industrial Development Agency
Board Meeting Minutes
February 6, 2025**

Ms. Gaffney said they haven't had much time to go through the application. She asked about the timeline. Ms. Boylan reviewed the dates in the PILOT application and said she could provide more specific dates if needed. Chairman Aliasso asked if they already have approval for the interconnection. Ms. Boylan said yes. Mr. Warneck asked if they have executed the interconnection agreement. Ms. Boylan said yes. Mr. Warneck asked if they have the lease terms and amounts and asked if they received a community credit or adder through the state. Ms. Boylan said the only incentive they have on the project is a base incentive from the NY Sun program. She said if they are talking about the same thing the community adder is another incentive on top of the base one but indicated that they only have the incentive NYS provides to every solar project. Mr. Warneck said he will send his questions to Mr. Weir to forward them to Ms. Boylan.

Chairman Aliasso said it's more about the state valuation program that asks a lot of things that you can't guess at (like how much you are paying for the lease for the property you are using). He said there are a lot of things you wouldn't put in the application but are necessary to put into the state valuation program so that we can determine because by law we can't abate taxes beyond 100% and noted that we aren't anywhere near that but we want to make sure it's fair and reasonable for both parties. Ms. Boylan said she noticed one thing on the application on page 12, the \$33,000 that is listed on the 'Other' line is supposed to be the total annual lease amount for the project.

Ms. Gaffney asked Mr. Warneck if the project is a UTEP project and wondered if that is why the school district wasn't notified directly by the developer. Mr. Warneck said it is a UTEP and indicated that they weren't notified by the developer because the school doesn't recognize Real Property Tax Law 487 and they weren't required to notify the school of their intentions to proceed with the project. He said that we could do a better job when we get the applications by keeping all the local taxing jurisdictions updated and will do better going forward. He said there will be a public hearing in the Town of Hounsfield, and they can make comments at the hearing if necessary. Chairman Aliasso said this step is saying the application is reasonably complete and we can move forward to schedule a public hearing, collect documents, and get to an authorizing resolution. He said there are multiple steps to have input but noted that it does fall under our UTEP.

Mr. Converse suggested sending the application back to the loan review committee after this resolution because we have the new state model so everyone can get a better feel for it and have better answers. Chairman Aliasso agreed and also suggested that the energy committee attend the meeting as well to collaborate.

Mr. Warneck said the only special districts will be the library tax and the fire district tax. He told Ms. Gaffney that she'll get full library tax because it's not abated in any way. Ms. Gaffney said they are curious to know about the inverted schedule and they are interested in knowing what their tax cap will look like going forward. They will be working through that and will share if it will negatively impact them in any way.

Ms. Gaffney and Audrey Stevenson left the meeting at 8:45 a.m.

**Jefferson County Industrial Development Agency
Board Meeting Minutes
February 6, 2025**

Chairman Aliasso read the purpose of the resolution. He said the Cost Benefit Analysis (CBA) was included with the application and noted that the application would be sent to the loan review committee, with an invite to the energy committee. A motion was made by Mr. Warneck to approve the resolution, seconded by Mr. Converse. Discussion ensued. Mr. Condino asked about Section 2 of the resolution which mentions the sales tax exemption. Mr. Eaton said the applicant did request it so he ran it through the CBA. Attorney Miller said as a policy it won't be considered as part of the public hearing and will be dropped in the authorizing resolution. Mr. Eaton will update the CBA.

Roll call vote. Mr. Aliasso – Yea, Mr. Converse – Yea, Mr. Condino – Yea, Mr. Johnson – Yea, Ms. L'Huillier – Yea, Mr. Walldroff – Yea, and Mr. Warneck – Yea. Carried.

VIII. Unfinished Business:

1. Consideration of Executive Session

At 8:55 a.m. a motion was made by Mr. Warneck to enter into executive session for legal advice and to discuss the financials of a particular company, seconded by Ms. L'Huillier. All in favor. Board Members, LDC Board Members (Aiken, Capone, Robinson), Staff, Attorney Miller, Attorney Capriotti, and Mr. Piche remained. Mr. Johnson said he has a question before starting executive session. Mr. Warneck withdrew his motion to allow Mr. Johnson to ask a question.

Unfinished business –

Mr. Johnson said there was a discussion last month about contacting one of the proposed large utility developers to meet with them up front and wondered if this is still the plan. Mr. Weir said yes and indicated that he will reach out to them. Mr. Walldroff said that he would like someone from National Grid to come in to do an overview of what the pool of money is doing in Jefferson County right now. He said that he is amazed at the amount of work that is going on at all the sites including the interconnect sites.

At 8:57 a.m. Mr. Warneck made a motion to enter into executive session for legal advice and to discuss the financials of a particular company, seconded by Ms. L'Huillier. All in favor. Board Members, LDC Board Members (Aiken, Capone, Robinson), Staff, Attorney Miller, Attorney Capriotti, and Mr. Piche remained. All in favor.

At 10:11 a.m. a motion was made by Mr. Warneck to leave executive session, seconded by Mr. Converse. All in favor. No action was taken.

IX. Adjournment: With no further business before the board, a motion to adjourn was made by Mr. Condino, seconded by Mr. Walldroff. All in favor. The meeting was adjourned at 10:13 a.m.

Respectfully submitted,

Peggy Sampson

JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Resolution Number 02.06.2025.01

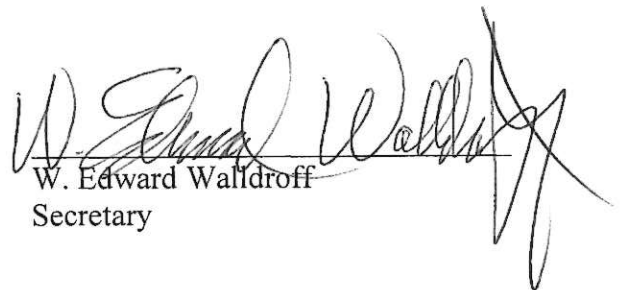
**RESOLUTION TO BORROW MONEY FROM THE JEFFERSON COUNTY LOCAL
DEVELOPMENT CORPORATION**

WHEREAS, a request to borrow a \$1,500,000 non interest bearing loan with no maturity date from the Jefferson County Local Development Corporation for the sewer line expansion project at the Business Complex at the Watertown International Airport. Any grant proceeds will be used to pay down the loan, and

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

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

This resolution shall take effect immediately.


W. Edward Walldroff
Secretary

INITIAL PROJECT RESOLUTION
(AES Black River Solar, LLC Project)

A regular meeting of the Jefferson County Industrial Development Agency convened on Thursday, February 6, 2025 at 8:30 a.m.

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

Resolution No. 02.06.2025.02

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

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

WHEREAS, **AES BLACK RIVER SOLAR, LLC** (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 19 acres of real property located at 19172 County Route 66 in the Town of Hounsfield, New York (the “Land”, being more particularly described as a portion of tax parcel No. 89.00-2-4.1, as may be subdivided); (ii) the planning, design, construction and operation of a 2.4MWac PV solar electrical generation system, including panel foundations, inverters, transformers, interconnect wiring, utility connections, sitework, landscaping, fencing, security and related 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, pursuant to and in accordance with Section 859-a of the Act, the Agency desires to schedule and conduct a public hearing (the "Public Hearing") relating to the Project and the proposed financial assistance contemplated by the Agency (collectively, the "Financial Assistance"), such Financial Assistance to include (a) an exemption from all State and local sales and use taxes with respect to qualifying personal property included in or incorporated into the Facility or used in the construction and equipping of the Facility; (b) mortgage recording tax exemption for project financing; and (c) a partial real property tax abatement through the execution of an agreement with the Agency regarding payments in lieu of real property taxes to be made for the benefit of the Affected Tax Jurisdictions; and

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

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

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

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

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

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

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

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

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

Section 3. The Chairman, Vice Chairman, and/or the Chief Executive Officer of the Agency are hereby authorized, on behalf of the Agency, to negotiate the terms of the Agent Agreement, Lease Agreement, Leaseback Agreement, PILOT Agreement, and related documents; *provided*, the provisions of the rental payments under the Leaseback Agreement include payments of all costs incurred by the Agency arising out of or related to the Project and indemnification of the Agency by the Company for actions taken by the Company and/or claims arising out of or related to the Project.

Section 4. The Agency hereby authorizes the scheduling and conduct a public hearing in compliance with the Act.

Section 5. Harris Beach Murtha Cullina PLLC, as General and Transaction Counsel for the Agency, is hereby authorized to work with counsel to the Company and others to prepare for submission to the Agency of all documents necessary to effect the foregoing authorizations.

Section 6. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required and to execute and deliver all such certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolutions and to cause compliance by the Agency with all of the terms, covenants and provisions of the documents executed for and on behalf of the Agency.

Section 7. These Resolutions shall take effect immediately.

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

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

The Resolution was thereupon duly adopted.

STATE OF NEW YORK)
COUNTY OF JEFFERSON) SS:

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

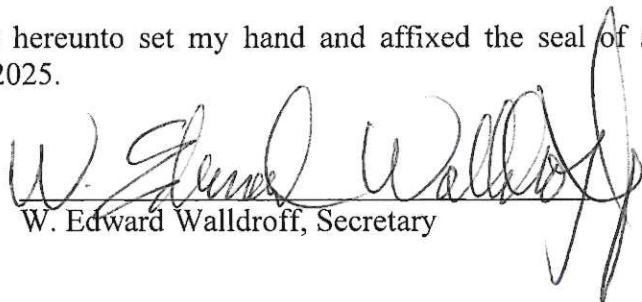
That I have compared the annexed extract of minutes of the meeting of Jefferson County Industrial Development Agency (the "Agency"), including the resolution contained therein, held on February 6, 2025, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolution set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

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

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

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Agency this 6th day of February, 2025.


W. Edward Walldroff, Secretary

[SEAL]

