PROJECT AUTHORIZING RESOLUTION
(31606 Felt Mills LLC Project)

A regular meeting of the Jefferson County Industrial Development Agency was convened on Thursday, November 4, 2021 at 8:30 a.m.

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

Resolution No. 11.04.2021.07

RESOLUTION OF THE JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY (i) APPOINTING 31606 FELT MILLS LLC , FOR ITSELF AND/OR ON BEHALF OF AN ENTITY OR 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 A 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, **31606 FELT MILLS LLC**, for itself and/or for an entity or entities to be formed (collectively, the "Company"), previously 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 20 acres of real property located at 31606 NYS Rote 3 in the Town of Rutland, New York (the "Land", being more particularly described as a portion of tax parcel No. 76.09-1-42.1); (ii) the planning, design, construction and operation of a 3MWac 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, on October 7, 2021, 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) 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 (v) adopted findings with respect to the State Environmental Quality Review Act, Article 8 of the Environmental Conservation Law and the regulations adopted pursuant thereto at 6 NYCRR Part 617, as amended (collectively referred to as "SEQRA"); and

WHEREAS, in accordance with the Initial Project Resolution, the Agency published and forwarded a Notice of Public Hearing to the Town of Rutland (the "Town"), the County of Jefferson (the "County"), and the Carthage 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 Thursday October 28, 2021 at 7:00 p.m. local time, at Town of Rutland Municipal Office, 28411 State Route 126, Black River, New York 13612 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 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 of Rutland, 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 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, 2022 *(unless extended for good cause by the Chief Executive Officer of the Agency)*.

Section 3. The Chairman, Vice Chairman and/or Chief Executive Officer (or Deputy Chief Executive Officer) 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 (the "Straight Lease Documents") with such changes as shall be approved by the Chairman, Vice Chairman, the Chief Executive Officer and counsel to the Agency upon execution.

Section 4. Based upon the representation and warranties made by the Company the Application, the Company has not requested, nor has the Agency approved the provision of

financial assistance in the form of exemptions from New York State and local sales and use tax in connection with the construction or equipping of the Project. The Agency may consider any requests by the Company for sales and use tax exemption benefits upon being provided with a supplemental application and appropriate documentation detailing the purchases of property or services, and, to the extent required, the Agency authorizes and conducts any supplemental public hearing(s).

Section 5. 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 or other financial assistance 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 contained herein and/or within the Straight Lease Documents 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 (as applicable) 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 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 upon adoption.

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

	Yea	*Nay*	*Absent*	*Abstain*
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 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 November 4, 2021, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolution set forth therein and of the whole of said original insofar as the same 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 4th day of November, 2021.

[redacted]
W. Edward Walldroff, 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

NOTICE OF PUBLIC HEARING

October 14, 2021

VIA CERTIFIED MAIL/
RETURN RECEIPT REQUESTED

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

Re: Jefferson County Industrial Development Agency
31606 Felt Mills LLC Project

Ladies and Gentlemen:

Please note that on Thursday, October 28, 2021 at 7:00 p.m. local time, at Town of Rutland Municipal Office, 28411 State Route 126, Black River, New York 13612, 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

The JCIDA is an equal opportunity provider, and employer. To file a complaint of discrimination, write: USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD).

Schedule A
Affected Tax Jurisdiction Officials

Jefferson County, New York
Attn: Scott A. Gray, 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

Carthage Central School District
Attn: Garry Schwartz, President, BOE
25059 Woolworth Street
Carthage, New York 13619

Carthage Central School District
Attn: Jennifer L. Premo, Superintendent
25059 Woolworth Street
Carthage, New York 13619

Town of Rutland, New York
Attn: Gary Eddy, Town Supervisor
Rutland Municipal Office
28411 State Route 126
Black River, New York 13612

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 Thursday, October 28, 2021 at 7:00 p.m. local time, at Town of Rutland Municipal Office, 28411 State Route 126, Black River, New York 13612 in connection with the matter described below.

31606 FELT MILLS 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 20 acres of real property located at 31606 NYS Rote 3 in the Town of Rutland, New York (the "Land", being more particularly described as a portion of tax parcel No. 76.09-1-42.1); (ii) the planning, design, construction and operation of a 3MWac 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").

The Agency is contemplating providing financial assistance to the Company with respect to the Project (collectively, the "Financial Assistance") in the form of a partial real property tax abatement provided through a Payment in Lieu of Tax Agreement ("PILOT Agreement").

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: JCIDA - Jefferson County, NY Economic Development. Interested parties will be provided a reasonable opportunity, both orally and in writing, to present their views with respect to the Project. The Agency will also broadcast the public hearing at Home - Jefferson County, NY Economic Development (jcida.com). Finally, the Agency also encourages all interested parties to submit written comments to the Agency, which will all be included within the public hearing record, which can be submitted to David Zembiec, Chief Executive Officer, Jefferson County IDA, 800 Starbuck Avenue, Watertown, New York 13601 and/or dzembiec@jcida.com.

DATED: October 16, 2021

JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY

Jefferson County Industrial Development Agency
Public Hearing Minutes
October 28, 2021

The Jefferson County Industrial Development Agency held a public hearing at 7:00 p.m. Thursday, October 28, 2021, at the Town of Rutland Municipal Building, 28411 State Route 126, Black River, New York, and via live stream for **31606 Felt Mills LLC** for a Straight Lease transaction.

Project Information:

31606 FELT MILLS 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 20 acres of real property located at 31606 NYS Rote 3 in the Town of Rutland, New York (the "Land", being more particularly described as a portion of tax parcel No. 76.09-1-42.1); (ii) the planning, design, construction and operation of a 3MWac 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").

The Agency is contemplating providing financial assistance to the Company with respect to the Project (collectively, the "Financial Assistance") in the form of a partial real property tax abatement provided through a Payment in Lieu of Tax Agreement ("PILOT Agreement").

Staff: David Zembiec, CEO

Public Present: Logan M. Eddy, Gary D. Eddy

Mr. Zembiec opened the hearing at 7:00 p.m. and read the public hearing rules and public hearing notice.

Mr. Zembiec asked for public comment. **There was no public comment.**

At 7:06 p.m., Mr. Zembiec closed the hearing.

[redacted]
David Zembiec
Hearing Officer