

There will be a **Meeting**

of the

**Seneca County IDA**

as follows:

**Thursday,**  
**December 1, 2022**

**At**  
**12:00 P.M.**

**Heroes Conference Room**  
Seneca County Office Bldg., 3<sup>rd</sup> Floor  
One DiPronio Drive  
Waterloo, New York

**\*\*\*\*\***

**\*\*This meeting is being held "in person" and is open to the public\*\***

The meeting will also be livestreamed on our website at:  
<https://www.senecacountyida.org/livestream>

SENECA COUNTY  
INDUSTRIAL DEVELOPMENT AGENCY  
Regular Meeting  
Thursday, December 1, 2022  
12:00 P.M.  
Heroes Conference Room  
One DiPronio Dr, Waterloo NY

Agenda

1. Approval of IDA Meeting Minutes of November 3, 2022 V \_\_\_\_\_
2. Approval of IDA Financial Statements thru October 2022 V \_\_\_\_\_
3. Review | Approval of IDA Resolution 2022-17 / Request for Consent Under the Leaseback - BonaDent R \_\_\_\_\_
4. Review | Approval of IDA Resolution No 2022-18 / Kanagy Solar Farm Project / Inducement R \_\_\_\_\_
5. Items to be Disposed of per Supplies and Equipment Policy
6. Proposed IDA Board Meeting Schedule for 2023
7. Loan Status Report
8. Update on Willard Property
9. Standing Item – Update / Seneca County Chamber of Commerce– Jeff Shipley
10. Standing Item – Update / Seneca County Board of Supervisors – Don Trout
11. Year-end Report from IDA Executive Director
12. Other Business
13. Consideration of Executive Session
14. Adjournment

SENECA COUNTY  
INDUSTRIAL DEVELOPMENT AGENCY  
MEETING MINUTES

Regular Meeting  
Thursday, November 3, 2022  
12:00 Noon  
Heroes Conference Room  
One DiPronio Drive  
Waterloo, NY 13165

Attendance:

Board Members Present:	Bruce Murray, Vice Chair; Jeff Shipley, Tom Murray, Thomas Kime, Ben Guthrie
Board Members Absent	Steven Brusso, Don Trout, Ralph Lott
Staff Attending:	Sarah Davis, Executive Director; Kelly Kline and David Hewitt
Others Attending:	Robert Kernan, CFO; Robert Halpin, Legal Counsel; Ernie Brownell, Supervisor Town of Junius, Tom Bouchard, Town of Romulus Planning Board and Marie Weiss, Carpenter Local 277

Call to Order:

Vice Chairman Bruce Murray called the meeting to order at 12:00 p.m. A quorum of the Agency's members were present.

Approval of IDA Meeting Minutes of October 24, 2022:

The minutes of the Agency's meeting of October 24, 2022, had been sent to Board members prior to the meeting. A motion was made by Mr. Guthrie to approve the minutes. Seconded by Mr. Tom Murray. Motion carried

Approval of August 2022 Financial Statements:

The August 2022 Financial Statements had been mailed to board members prior to the meeting. Mr. Kernan summarized the financial statements for the board. A motion was made by Mr. Kime to approve the financial statements. Seconded by Mr. Shipley. Motion carried.

Approval of September 2022 Financial Statements:

The September 2022 Financial Statements had been mailed to board members prior to the meeting. Mr. Kernan summarized the financial statements for the board. A motion was made by Mr. Kime to approve the financial statements. Seconded by Mr. Shipley. Motion carried.

Discussion / Approval of IDA Final Resolution No 2022-15 / Wilkins Recreational Vehicles, Inc.:

A copy of the proposed resolution was provided to board members prior to the meeting. The resolution is for final approval of sales tax, mortgage recording tax, and property tax exemptions for the creation of an RV sales and service center on Route 318 in the Town of Junius. The estimated property tax exemption is \$161,886 over a 10-year period with the company expected to pay \$446,844 in PILOT payments over that period. The estimated sales tax and mortgage recording tax exemptions are \$625,000 and \$75,000, respectively. A cost-benefit analysis of the project shows \$60.74 in benefit to the public for every \$1 in incentives. This project is expected to retain 37.5 jobs and create an additional 26. IDA staff conducted a public hearing on August 22<sup>nd</sup>. No comments were received for or against the project. The project has received a negative SEQR declaration from the Town of Junius.

A motion was made by Mr. Kime approving IDA Final Resolution No. 2022-15 / Wilkins Recreational Vehicles Inc.. Seconded by Mr. Tom Murray. Members B. Murray, T. Murray Guthrie, Shipley, Kime vote "yea". Mr. Brusso, Mr. Trout and Mr. Lott were absent. Motion carried



**Governance Committee Report:**

The IDA Governance Committee met on October 22<sup>nd</sup> of this year, reviewed the following policies, and are recommending approval by the full Board:

**a) New Proposed Policies:**

**Project Fee Schedule:** A copy of the proposed policy was provided to board members prior to the meeting. IDA staff is proposing the addition of a project fee schedule to provide transparency and clarity to businesses considering potential IDA projects moving forward. The schedule provides consideration for projects that may seek only sales and/or mortgage recording tax exemptions outside of a PILOT agreement. The fee schedule has been reviewed by the Governance Committee and is being recommended for approval by the full board.

A motion was made by Mr. Guthrie approving the Project Fee Schedule. Seconded by Mr. Tom Murray. Members B. Murray, T. Murray Guthrie, Shipley, Kime vote "yea". Mr. Brusso, Mr. Trout and Mr. Lott were absent. Motion carried

**b) Established Policies with No Modification:**

The following policies were provided to Board members prior to the meeting and were presented as follows with no changes: Administrative Guidelines Policies and Procedures, Audit Committee Charter, Conflict of Interest, Capitalization Policy, Code of Ethics, Disposition of Property Policy, Equal Opportunity Policy, Finance Committee Charter, FOIL Policy, Governance Committee Charter, Investment Policy, Procurement Policy, Records and Retention Policy, Sexual Harassment Policy, Supplies and Equipment Policy, UTEP Policy, Whistleblower Policy and Mission Statement.

A motion was made by Mr. Tom Murray approving all established policies listed above with no modifications. Seconded by Mr. Guthrie. Members B. Murray, T. Murray Guthrie, Shipley, Kime vote "yea". Mr. Brusso, Mr. Trout and Mr. Lott were absent. Motion carried

**Nominations of 2023 IDA Officers:**

The Governance Committee serves as the nominating committee, and they have presented their 2022 nominations as follows:

Steven Brusso / Chairman  
Bruce Murray / Vice Chairman  
Ralph Lott / Secretary  
Ben Guthrie / Treasurer

If Board members would like to make any other nominations, please contact staff. The official vote will take place at the Annual IDA Meeting in January.

**c) Governance Self Evaluation:**

The IDA Governance Committee Charter requires that they report to the full IDA Board, at least annually, any proposed changes to the Governance Charter or the Governance Guidelines. A copy of the evaluation was provided to board members prior to the meeting, and no changes were noted.

**d) Contract Renewals:**

Five contracts for Professional Services for the 2023 calendar year are up for renewal. All five contracts have been reviewed by the Governance Committee and are being recommended for approval by the full board.

1. **Fisher Associates** offers professional engineering services. Their annual contract fee is for up-to \$10,000 and would be billed on an as-needed basis. No increase from prior year.
2. **Dermoddy Burke and Brown** provides accounting services to the IDA on a monthly basis. They are requesting an increase in their monthly rate of \$50, bringing the monthly rate of \$900 in 2022 to \$950 for 2023.

3. **Eleanor Beattie** is an independent contractor who currently performs bookkeeping duties for the IDA/EDC at a price of \$675 a month for a maximum of 20 hours monthly. No increase from prior year.
4. **Jim Armstrong** is a business expansion and retention specialist. His services are not to exceed \$15,000 for 2023. No increase from prior year.
5. **Robert E. Kernan, Jr.**, as CFO with a monthly service fee of \$1,000.

A motion was made by Mr. Kime approving renewal of contracts 1-5 above. Seconded by Mr. Guthrie. Members B. Murray, T. Murray Guthrie, Shipley, Kime vote "yea". Mr. Brusso, Mr. Trout and Mr. Lott were absent. Motion carried.

**Standing Item – Update / Seneca County Chamber of Commerce –:**

The Chamber along with the Small Business Development center from Onondaga will be hosting a free webinar on November 9th with an expert from Google. The webinar is about growing your business with Google and is a great opportunity for local businesses to take advantage of that platform. In today's One Seneca meeting there was a brief update on the broadband committee. The Town of Tyre is planning to move forward with implementation for the build out for broadband, which is an exciting development. The County is continuing to look for engineering services in order to position us to take advantage of grants that are out there for a county-wide implementation of broadband. Also, the Chamber has been very busy marketing for tourism for the upcoming year.

**Standing Item – Update / Seneca County Board of Supervisors (BOS) – Don Trout:**

Mr. Trout was absent. Agenda item was tabled.

**Other Business:**

**Update on Willard:**

Staff is currently working on the Request for Proposals (RFP) for the Highest and Best Use Study. Ms. Davis noted that she is currently working with the Chamber and the County Manager to assemble a Willard Task Force with members of the community, to focus on all of the different aspects of redevelopment.

IDA staff is expecting a response this afternoon from the State in regard to some of the follow-up questions that people had after the last October 11th tour. A couple of the items of note: The Town of Romulus has spent a fair amount of money on operating the water treatment facility and are looking for some compensation from the Department of Corrections (DOCCS) relating to that. Also, staff has been made aware of a "Blue Book" of Willard, which is essentially master blueprints of the entire facility. Staff and others are trying to see if we can get access to that as a community.

**Executive Session:**

None

**Adjournment:**

A motion to adjourn the meeting was made by Mr. Guthrie. Seconded by Mr. Tom Murray. Motion carried. The meeting adjourned at 12:48 pm.

The next regular scheduled meeting will be held on December 1, 2022, at **12:00 Noon**.

Respectfully submitted,

Bruce Murray  
Secretary

pc: Margret Li, Clerk to the Board of Supervisors

RESOLUTION  
*(Danaren Dental Laboratory Project)*

At a meeting of Seneca County Industrial Development Agency on December 1, 2022 at 12:00 p.m.

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

**Resolution No. 2022-17**

**RESOLUTION OF THE SENECA COUNTY INDUSTRIAL DEVELOPMENT AGENCY (THE “AGENCY”) CONSENTING TO ASSIGNMENT OF INTERESTS UNDER AMENDED AND RESTATED LEASEBACK AGREEMENT**

WHEREAS, the Agency and Bruce Henry Properties, LLC, d/b/a Bonadent (“Bruce Henry”) entered into a certain Amended and Restated Leaseback Agreement dated October 14, 2020 (the “Leaseback”), and a certain Payment In Lieu of Tax Agreement dated as of October 1, 2010, as amended by First Amendment to Payment In Lieu Of Tax Agreement dated as of March 1, 2011 and Second Amendment to Payment In Lieu of Tax Agreement dated as of October 14, 2020 (collectively, the “PILOT”), the Leaseback and the PILOT pertaining to a certain Project, Existing Facility and Additional Facility as therein defined; and

WHEREAS, in connection the Leaseback and the PILOT Bruce Henry and/or Danaren, LLC (“Danaren”; Bruce Henry and Danaren are together the “Company”) and the Agency also entered into certain other agreements relating thereto (such agreements and the Leaseback Agreement and the PILOT are collectively the “Agency Documents”); and

WHEREAS, the Company has represented to the Agency that (i) Danaren intends to transfer and convey all its interests in the Existing Facility and the Additional Facility to Danaren Seneca Falls, LLC (“DSF”), a limited liability company wholly owned by Danaren, and (ii) Bruce Henry intends to transfer and convey all its interest in the Existing Facility and the Additional Facility to BHB Properties LLC (“BHB”), a New York limited liability wholly owned by Bruce Henry, and (iii) in connection with such transfer Bruce Henry intends to assign all of its interests under the Agency Documents to BHB, and that BHB shall acquire all such interests and assume all the Company’s obligations under the Agency Documents, and (iv) Bruce Henry intends to transfer one hundred percent (100%) of its membership interests in BHB to Bonadent LLC, a Delaware limited liability company (“Bonadent”), and Danaren intends to transfer one hundred percent (100%) of its membership interests in DSF to Bonadent, and (v) more than fifty percent (50%) of the equity voting interests in Bonadent are held by a party or parties other than the party or parties that held such interests as of the effective date of the Agency Documents (all of the foregoing described in clauses (i) through (v) being herein referred to as the “Transfer”); and

WHEREAS, the Agency Documents require the Agency's consent for the Transfer;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE AGENCY AS FOLLOWS:

RESOLVED, the Agency hereby consents to the Transfer, subject to all terms and conditions of the Agency Documents, including but not limited to Section 6.3 of the Leaseback; and it is further

RESOLVED, the Executive Director or Chairman are authorized to execute and deliver any documents necessary or appropriate to confirm the Agency's consent to the Transfer pursuant to these Resolutions.

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	Abstain	Absent
Steven Brusso				
Thomas L. Kime				
Donald Trout				
Bruce Murray				
Jeffrey Shipley				
Thomas Murray				
Ralph Lott				
Benjamin Guthrie				

The Resolutions were thereupon duly adopted.

**INDUCEMENT RESOLUTION**  
*(Kanagy Solar Farm LLC Project)*

A meeting of the Seneca County Industrial Development Agency was convened on December 1, 2022

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

**Resolution No. 2022 – 18**

**RESOLUTION OF THE SENECA COUNTY INDUSTRIAL DEVELOPMENT AGENCY (THE "AGENCY") (i) ACCEPTING THE APPLICATION OF KANAGY SOLAR FARM LLC (THE "COMPANY") DATED NOVEMBER 11, 2022 WITH RESPECT TO A CERTAIN PROJECT (AS MORE FULLY DESCRIBED BELOW), (ii) AUTHORIZING A PUBLIC HEARING WITH RESPECT TO THE PROJECT, (iii) DESCRIBING THE FORMS OF FINANCIAL ASSISTANCE BEING CONTEMPLATED WITH RESPECT TO THE PROJECT, AND (iv) AUTHORIZING THE NEGOTIATION OF A LEASE AGREEMENT, LEASEBACK AGREEMENT, PILOT AGREEMENT AND RELATED DOCUMENTS**

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 63 of the Laws of 1972 of the State of New York, as amended (hereinafter collectively called the "Act"), the **SENECA COUNTY INDUSTRIAL DEVELOPMENT AGENCY** (hereinafter called "Agency") was created with the authority and power to own, lease and sell property for the purpose of, among other things, acquiring, constructing and equipping civic, industrial, manufacturing and commercial facilities as authorized by the Act; and

WHEREAS, **KANAGY SOLAR FARM LLC**, a Delaware limited liability company, for itself or on behalf of an entity to be formed by it or on its behalf (the "Company") has submitted an application (the "Application"), a copy of which is on file with the Agency, requesting the Agency's assistance with respect to a certain project (the "Project") consisting of: (i) the acquisition of a leasehold interest in certain real property located at 5856 State Route 414, Town of Romulus, Seneca County, New York (the "Land"), (ii) the construction on the Land of solar modules and supportive racking, inverters, transformers and associated wiring and other components necessary for the generation of approximately 3.0 MWac of electricity for interconnection with the existing NYSEG electric grid, with related amenities (collectively, the "Improvements"), and (iii) the acquisition and installation by the Company in and around the Improvements of certain items of equipment and other tangible personal property (the "Equipment" and, collectively with the Land and the Improvements, the "Facility");; and



WHEREAS, it is contemplated that the Agency will hold a public hearing and (i) negotiate and enter into an agent agreement, pursuant to which the Agency will appoint the Company as its agent for the purpose of undertaking the Project (the "Agent Agreement"), (ii) negotiate and enter into a lease agreement (the "Lease Agreement"), leaseback agreement (the "Leaseback Agreement"), and an agreement providing for a partial real property tax abatement (the "PILOT Agreement"), (iii) take a leasehold interest in the Land, the Improvements and personal property constituting the Facility (once the Agent Agreement, Lease Agreement, Leaseback Agreement and PILOT Agreement have been negotiated), and (iv) provide Financial Assistance to the Company in the form of (a) a sales and use tax exemption for purchases and rentals related to the acquisition, construction and equipping of the Facility, (b) a partial real property tax abatement structured within the PILOT Agreement, and (c) a mortgage recording tax exemption for financing related to the Project (collectively, the "Financial Assistance"); and

WHEREAS, the Agency anticipates that the Town of Romulus Planning Board (the "Lead Agency") shall act as lead agency in a coordinated review of the Project pursuant to the New York State Environmental Quality Review Act, Article 8 of the Environmental Conservation Law and the regulations adopted pursuant thereto at 6 N.Y.C.R.R. Part 617, as amended (collectively referred to as "SEQRA"), with the Agency as an involved agency in such review; and

WHEREAS, pursuant to Article 18-A of the Act, the Agency desires to adopt a resolution describing the Project and the Financial Assistance that the Agency is contemplating with respect to the Project.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE SENECA COUNTY INDUSTRIAL 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 and other materials provided by the Company to the Agency, and in furtherance of the foregoing recitals, which are hereby incorporated, 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 facilitate the undertaking of the Project, thereby enabling the Company's development of the Project, thereby increasing employment opportunities in Seneca 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; and

(E) The Project will promote and maintain the job opportunities, general prosperity and economic welfare of the citizens of the County of Seneca and State of New York, improve their standard of living, and prevent economic deterioration in Seneca County. The Agency therefore determines that the Project constitutes a "commercial" facility as contemplated by the Act, and that the Agency's grant of assistance to the Project will thereby serve the public purposes of the Act.

Section 2. The Agency is hereby authorized to prepare or cause to be prepared a cost-benefit analysis with respect to the Project prior to the Agency making its final determination with respect to the Project. The Agency is hereby authorized to negotiate the terms of the Lease Agreement, Leaseback Agreement, PILOT Agreement and Agent Agreement, and other such contracts and agreements as may be necessary in connection with the contemplated Financial Assistance.

Section 3. The Agency is hereby authorized to conduct a public hearing (the "Public Hearing") in compliance with the Act.

Section 4. 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 5. These Resolutions shall take effect immediately.

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

	Yea	Nay	Abstain	Absent
Steven Brusso				
Thomas L. Kime				
Donald Trout				
Bruce Murray				
Jeffrey Shipley				
Thomas Murray				
Benjamin Guthrie				
Ralph Lott				

The Resolutions were thereupon duly adopted.



LOCAL VALUES. FORWARD VISION.

APPLICATION TO  
SENECA COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
FOR FINANCIAL ASSISTANCE

I. APPLICANT INFORMATION:

Company Name: Kanagy Solar Farm LLC

Address: 1213 Purchase Street, New Bedford, MA 02740

Phone No.: 570-419-5311 Email: jason@csg-gutami.com

Fax No.: None

Fed I.D. No.: 88-1633506

Contact Person: Jason Kline

Principal Owners/Officers/Directors:  
(List owners with 15% or more in equity holdings with percentage ownership)

CSG-GUTAMI LLC is the sole member  
\_\_\_\_\_  
\_\_\_\_\_

*Corporate Structure (attach schematic if Applicant is a subsidiary or otherwise affiliated with another entity)*

Form of Entity:

- ☐ Corporation
- ☐ Partnership (General ☐ or Limited ☐; Number of General Partners \_\_\_\_\_ and, if applicable, Number of Limited Partners \_\_\_\_).
- ☒ Limited Liability Company/Partnership (number of members <sup>1</sup> \_\_\_\_\_)
- ☐ Sole Proprietorship



If a corporation, partnership, limited liability company/partnership:

What is the date of establishment 3/15/2022

Place of organization Delaware, United States

and, if a foreign organization, is the Applicant authorized to do business in the State of New York? ☒ Yes ☐ No

APPLICANT'S COUNSEL:

Name: Scott Kurkoski, Nicholas Scarantino, and Karen McMullen

Address: Levene Gouldin & Thompson, LLP, 450 Plaza Drive, Vestal, NY 13850

Phone No: 607-763-9200 Email: skurkoski@lgtlegal.com

Fax No: 607-763-9211

II. PROJECT INFORMATION

Project Address: Portion of 5856 State Route 414, Romulus, NY

Block(s) & Lot(s): Portion of Tax Map ID 03-1-71

A) Are Utilities on Site? (Yes/No)

Water n Electric n Gas n Sanitary/Storm Sewer n

B) Present legal owner of the site: Sylvanus Kanagy and Lena Kanagy

If other than Applicant, by what means will the site be acquired for this project:

Purchase of a portion of the premises, approximately 16 acres, by Kanagy Solar Farm LLC

C) Zoning of Project Site: Current: ag

Proposed: \_\_\_\_\_

D) Are any variances needed: No, special use permit from Town of Romulus is required, though

E) Statement describing project (i.e. land acquisition, construction of manufacturing facility, etc.):

Project is a 3.0 MW (AC) ground mounted solar farm that will use rotating Photovoltaic (PV) solar panels.

Location of Project: 16 acres to be subdivided from Tax Map Parcel 03-1-71

Purpose of Project: Solar farm

Desired Closing Date:

To be Determined, Likely december 2022

Estimated Construction Start and End Date: Depends on approval from Town for solar and subdivision

F) Principal Use of Project upon completion: Solar farm

G) Estimated Project Costs, including

Value of property to be acquired: \$ 180,000

Cost of Construction/Reconstruction: \$ 1,500,000.00

Value of equipment to be purchased: \$ 4,170,000.00

Estimated cost of engineering/architectural services: \$ 125,000.00

Other: \$ \_\_\_\_\_

Total Capital Costs: \$ 5,795,000.00

Project refinancing; estimated amount  
(for refinancing of existing debt only) \$ 0

*Sources of Funds for Project Costs:*

Bank Financing: \$ 5,795,000.00

Equity (excluding equity that is attributed to grants/tax credits) \$ \_\_\_\_\_

Tax Exempt Bond Issuance (if applicable) \$ \_\_\_\_\_

Taxable Bond Issuance (if applicable) \$ \_\_\_\_\_

Public Sources (Include sum total of all state and federal  
grants and tax credits) \$ \_\_\_\_\_

Identify each state and federal grant/credit:

\_\_\_\_\_ \$ \_\_\_\_\_

\_\_\_\_\_ \$ \_\_\_\_\_

\_\_\_\_\_ \$ \_\_\_\_\_

\_\_\_\_\_ \$ \_\_\_\_\_

Total Sources of Funds for Project Costs: \$ 5795000.00

The Agency will collect 1% origination fee on the total capital costs at the time of closing



H) Inter-Municipal Move Determination

Will the project result in the removal of a plant or facility of the applicant from one area of the State of New York to another?

☐ Yes or ☒ No

Will the project result in the removal of a plant or facility of another proposed occupant of the project from one area of the State of New York to another area of the State of New York?

☐ Yes or ☒ No

Will the project result in the abandonment of one or more plants or facilities located in the State of New York?

☐ Yes or ☒ No

If Yes to any of the questions above, explain how, notwithstanding the aforementioned closing or activity reduction, the Agency's Financial Assistance is required to prevent the Project from relocating out of the State, or is reasonably necessary to preserve the Project occupant's competitive position in its respective industry: \_\_\_\_\_

FINANCIAL ASSISTANCE BEING REQUESTED

A) Benefits Requested:

☒ Sales and Use Tax Exemption ( [ 8]%)

☐ IRB

☒ Mortgage Recording Tax Exemption(.0075%)

☒ Real Property Exemption and Tax Agreement

B.) Value of Incentives:

Real Property Tax Exemption and Tax Agreement: Agency staff will calculate the estimated value of a requested real property tax exemption and tax agreement based on estimated Project costs as contained herein and current tax rates and assessed valuation, and the annual tax agreement payment amounts for each year of the tax agreement. This calculation is set forth on the addendum to this Application entitled "Real Property Tax Benefits (Detailed)," which addendum is incorporated herein by reference.

Estimated duration of Real Property Tax exemption: 20

Sales and Use Tax:

Estimated value of Sales Tax exemption for facility construction: \$ \_\_\_\_\_

Estimated Sales Tax exemption for fixtures and equipment: \$ 333600.00

Estimated duration of Sales Tax exemption: 3



Mortgage Recording Tax Exemption Benefit:

Estimated value of Mortgage Recording Tax exemption: \$ \_\_\_\_\_ *Max Amount*

IRB Benefit:

☐ IRB inducement amount, if requested: \$ \_\_\_\_\_

Is a purchaser for the Bonds in place?

☐ Yes or ☐ No

Percentage of Project Costs financed from Public Sector sources:

Agency staff will calculate the percentage of Project Costs financed from Public Sector sources based upon Sources of Funds for Project Costs as depicted above under the heading "Estimated Project Costs" (Section II(G)) of the Application.

**C.) Likelihood of Undertaking Project without Receiving Financial Assistance:**

Is there is likelihood that the Project would not be undertaken but for the Financial Assistance provided by the Agency?

☒ Yes or ☐ No

If the Project could be undertaken without Financial Assistance provided by the Agency, then provide a statement in the space provided below indicating why the Project should be undertaken by the Agency:

*PILOT Agreement is an important part of the planning process for the development of solar in New York State.*

*PILOT allows municipality and school district to receive tax funds, while allowing developer to pay taxes based on a structured schedule and predictable amounts for the first 15 years.*

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### III. EMPLOYMENT PLAN

	1	2	3	4	5
	Current # of jobs at proposed project location or to be relocated to project location	IF FINANCIAL ASSISTANCE IS GRANTED – project the number jobs to be RETAINED	IF FINANCIAL ASSISTANCE IS GRANTED – project the number jobs to be CREATED:	IF FINANCIAL ASSISTANCE IS GRANTED – project the number Construction Jobs to be CREATED:	Estimate number of residents of the *Labor Market Area that will fill the jobs described
<b>*Full Time</b>	0	0	Year 1: _____ Year 2: _____ Year 3: _____	50	
<b>*Part Time</b>  <i>Calculated as .5 for every 1 part time Job</i>	0	0	Year 1: 0 Year 2: 0 Year 3: 0		1
<b>Total</b>					

#### \*GUIDANCE ON JOB REPORTING

A Full-Time Employee shall work at least 35 hours per week. A part-time employee will count as a fraction of a Full-Time Employee (an employee working at least 17.5 hours per week will count as .5). A seasonal employee will also count as a fraction of a Full-Time Employee based on the number of full months worked in a year (an employee hired to work only for three months in a year will count as .25).

\*\* The Labor Market Area is defined as Seneca County, Ontario County, Wayne County, Cayuga County, Schuyler County and Tompkins County, New York.

#### Salary and Fringe Benefits for Jobs to be Retained and/or Created:

Average Estimated Annual Salary of Jobs to be Created (at current market rates)	\$ <u>50,000</u> to \$ <u>100,000</u>
Annualized Salary Range of Jobs to be Created	\$ _____
Estimated Average Annual Salary of Jobs to be Retained (at current market rates)	\$ <u>50,000</u>



#### IV. REPRESENTATIONS AND COVENANTS BY THE APPLICANT

The Applicant understands and agrees with the Agency as follows:

- A) **Job Listings:** In accordance with Section 858-b(2) of the New York General Municipal Law, the Applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, except as otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the Project will be listed with the New York State Department of Labor Community Services Division (the "DOL") and with the administrative entity (collectively with the DOL, the "JTPA Entities") of the service delivery area created by the federal job training partnership act (Public Law 97-300) ("JTPA") in which the Project is located.
- B) **First Consideration for Employment:** In accordance with Section 858-b(2) of the New York General Municipal Law, the Applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, except as otherwise provided by collective bargaining agreements, where practicable, the Applicant will first consider persons eligible to participate in JTPA programs who shall be referred by the JTPA Entities for new employment opportunities created as a result of the Project.
- C) **Annual Sales Tax Filings:** In accordance with Section 874(8) of the New York General Municipal Law, the Applicant understands and agrees that, if the Project receives any sales tax exemptions as part of the Financial Assistance from the Agency, in accordance with Section 874(8) of the General Municipal Law, the Applicant agrees to file, or cause to be filed, with the New York State Department of Taxation and Finance, the annual form prescribed by the Department of Taxation and Finance, describing the value of all sales tax exemptions claimed by the Applicant and all consultants or subcontractors retained by the Applicant.
- D) **Annual Employment Reports:** The applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, the Applicant agrees to file, or cause to be filed, with the Agency, on an annual basis, reports regarding the number of people employed at the project site.
- E) **Compliance with N.Y. GML Sec. 862(1):** Applicant certifies that the provisions of Section 862(1) of the New York General Municipal Law, as provided below, will not be violated if Financial Assistance is provided for the proposed Project:

§ 862. Restrictions on funds of the agency. (1) No funds of the agency shall be used in respect of any project if the completion thereof would result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state, provided, however, that neither restriction shall apply if the agency shall determine on the basis of the application before it that the project is reasonably necessary to discourage the project occupant from removing such other plant or facility to a location outside the state or is reasonably necessary to preserve the competitive position of the project occupant in its respective industry.



- F) **Compliance with Applicable Laws:** The Applicant confirms and acknowledges that the owner, occupant, or operator receiving Financial Assistance for the proposed Project is in substantial compliance with applicable local, state and federal tax, worker protection and environmental laws, rules and regulations.
- G) **False and Misleading Information:** The Applicant confirms and acknowledges that the submission of any knowingly false or knowingly misleading information may lead to the immediate termination of any Financial Assistance and the reimbursement of an amount equal to all or part of any tax exemption claimed by reason of the Agency's involvement the Project.
- H) **Recapture:** Should the Applicant not expend or hire as presented, the Agency may view such information/status as failing to meet the established standards of economic performance. In such events, some or all of the benefits taken by the Applicant will be subject to recapture.
- E) **Absence of Conflicts of Interest:** The Applicant has received from the Agency a list of the members, officers and employees of the Agency. No member, officers or employee of the Agency has an interest, whether direct or indirect, in any transaction contemplated by this Applicant, except as hereinafter described:

STATE OF ~~NEW YORK~~ <sup>op Florida</sup>  
COUNTY OF ~~Sumter~~ ) ss.:

Susan Kline, being first duly sworn, deposes and says:

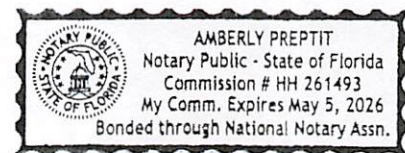
1. That I am the Authorized Agent (Corporate Office) of Kanagy Solar Farm LLC (Applicant) and that I am duly authorized on behalf of the Applicant to bind the Applicant.
2. That I have read the attached Application, I know the contents thereof, and that to the best of my knowledge and belief, this Application and the contents of this Application are true, accurate and complete.

[Signature]  
(Signature of Officer)

Subscribed and affirmed to me under penalties of perjury this

11th day of 2022  
November

Amberly Preptit  
(Notary Public)



This Application should be submitted with a \$350.00 Application fee to Seneca County Industrial Development Agency, One DiPronio Drive, Waterloo, New York 13165-1681 (Attn.: Sarah Davis, Executive Director).



## HOLD HARMLESS AGREEMENT

Applicant hereby releases the SENECA COUNTY INDUSTRIAL DEVELOPMENT AGENCY and the members, officers, servants, agents and employees thereof (the "Agency") from and agrees that the Agency shall not be liable for and agrees to indemnify, defend and hold the Agency harmless from and against any and all liability arising from or expense incurred by (i) the Agency's examination and processing of, and action pursuant to or upon, the attached Application, regardless of whether or not the Application or the Project described therein or the tax exemptions and other assistance requested therein are favorably acted upon by the Agency, (ii) the Agency's acquisition, construction and/or installation of the Project described therein and (iii) any further action taken by the Agency with respect to the Project; including without limiting the generality of the foregoing, all causes of action and attorneys' fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. Applicant hereby understands and agrees, in accordance with Section 875(3) of the New York General Municipal Law, that any New York State and local sales and use tax exemption claimed by Applicant and approved by the Agency in connection with the Project may be subject to recapture by the Agency under such terms and conditions as will be set forth in the Agent Agreement to be entered into by and between the Agency and the Applicant. The Applicant further represents and warrants that the information contained in this Application, including without limitation information regarding the amount of New York State and local sales and use tax exemption benefits, is true, accurate and complete. If, for any reason, Applicant fails to conclude or consummate necessary negotiations, or fails, within a reasonable or specified period of time, to take reasonable, proper or requested action, or withdraws, abandons, cancels or neglects the Application, or if the Agency or Applicant are unable to reach final agreement with the respect to the Project, then, and in the event, upon presentation of an invoice itemizing the same, the Applicant shall pay to the Agency, its agent or assigns, all costs incurred by the Agency in the processing of the Application, including attorneys' fees, if any.

Applicant: Karagy Solar Farm

By: Jason Kline  
(Print Name)

Title: Project Manager

Signature: [Signature]



### **Local Labor Policy**

The Company hereby covenants that it will use at least 70% (as a percentage of total labor costs) Local Labor for the construction, renovation, and/or expansion activities related to the project described in this application. "Local Labor" is defined as persons residing in Seneca, Ontario, Wayne, Yates, Cayuga, Schuyler, Monroe, or Tompkins Counties. The Company may request a waiver of the Local Labor requirement from the Agency for projects requiring specialty contractors or if lack of availability of Local Labor will materially delay or otherwise hinder the project. Requests for waivers shall be made prior to commencement of the work to which the requested waiver applies, and shall be supported by such documentation/information as the Agency shall require to evaluate the request. Decisions on waivers are at the sole discretion of the Agency.

**Labor Policy Monitoring Fee:** The Agency shall retain a contractor to monitor compliance with the Local Labor Policy. All fees and costs of the contractor shall be borne by the Company. At closing of the Agency's assistance package, the Company shall deposit funds with the Agency, which shall be held by the Agency as a deposit to be applied towards the costs of the contractor. These funds will be held by the Agency in a non-interest-bearing escrow account and will fund any costs related to the ongoing audit of Local Labor Policy compliance throughout construction. Any unused funds on deposit with the Agency will be returned to the Company upon project completion. The Company shall pay any shortfall in the deposit to the Agency within ten days following the Agency's demand therefor. The local labor monitoring fee is based on project costs:

#### **Monthly fee per project:**

##### **Tier 1 (<\$5M):**

o Monthly Reporting Fee:	\$ 230
o One Time Setup Fee:	\$ 650
o Inspection Fee:	\$ 150

##### **Tier 2 (>\$5M - <\$25M):**

o Monthly Reporting Fee:	\$ 460
o One Time Setup Fee:	\$ 950
o Inspection Fee:	\$ 225

##### **Tier 3 (>\$25M):**

o Monthly Reporting Fee:	\$ 690
o One Time Setup Fee:	\$ 1250
o Inspection Fee:	\$ 325

### **Prevailing Rate Policy**

Per NYS Labor Law 224-a, project with a total "project cost" of \$5 million or more that receive a benefit package valued at 30% or more of the total project cost (a "covered project") are subject to prevailing wage requirements. Following the Agency's review of this application the Agency will notify the Company if the project is a covered project subject to prevailing wage requirements. The Company hereby covenants that it will comply with all requirements provided for in NYS Labor Law 224-a to the extent applicable.

See NYS Labor Law 224-a for definitions of public funds and exemptions to covered projects.

For the purposes of this policy, project cost is defined as the sum of the "Cost of Construction/Reconstruction," "Estimated Cost of Engineering/Architectural Services," and "Other" as outlined on page 3 of the application.

**Prevailing Rate Policy Monitoring Fee:** The Agency shall retain a contractor to monitor compliance with the Prevailing Rate Policy. All fees and costs of the contractor shall be borne by the Company. At closing of the Agency's assistance package, the Company shall deposit funds with the Agency, which shall be held by the Agency as a deposit to be applied towards the costs of the contractor. These funds will be held by the Agency in a non-interest-bearing escrow account and will fund any costs related to the ongoing audit of Prevailing Rate Policy compliance throughout construction. Any unused funds on deposit with the Agency will be returned to the Company upon project completion. The Company shall pay any shortfall in the deposit to the Agency within ten days following the Agency's demand therefor. The prevailing rate monitoring fee is based on project costs:

#### **Monthly Reviewing, Reporting & Inspection Fee**

- |                                 |             |
|---------------------------------|-------------|
| • Tier 1 <5 Million             | \$ 1,115.00 |
| • Tier 2 >5 Million <25 Million | \$ 1,755.00 |
| • Tier 3 >25 Million            | \$ 3,405.00 |

#### **One-Time Fees Tiered based on Project Size**

- |                              |             |
|------------------------------|-------------|
| • Project Set Up/Per Project |             |
| o Tier 1                     | \$ 1,400.00 |
| o Tier 2                     | \$ 2,100.00 |
| o Tier 3                     | \$ 3,200.00 |
| • Closeout Fee               |             |
| o Tier 1                     | \$ 575.00   |
| o Tier 2                     | \$ 800.00   |
| o Tier 3                     | \$ 1,500.00 |

**SENECA COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
UNIFORM PROJECT EVALUATION POLICY**

Pursuant to and in accordance with Section 859-a(5) of the General Municipal Law ("GML"), the Seneca County Industrial Development Agency (the "Agency") hereby establishes a Uniform Project Evaluation Policy for the evaluation and selection for all qualifying categories of projects for which the Agency may provide "Financial Assistance" (as defined herein). "Financial Assistance" shall include any of the following: (i) the issuance by the Agency of tax- exempt bonds; (ii) sales and use tax exemption; (iii) mortgage recording tax exemption; and (iv) real property tax exemption (with or without a related agreement for payments in lieu of taxes).

For each Application for Financial Assistance received by the Agency, the following must occur prior to authorizing the provision of Financial Assistance:

- 1) The Agency shall undertake an assessment of all material information included in connection with the Application for Financial Assistance as necessary to afford a reasonable basis for the decision by the Agency to provide Financial Assistance for a project. Such information may include, without limitation, qualification of the proposed project under the GML (including any retail analysis, as applicable), the applicant's financial history, project pro-formas, and consideration of local development priorities.
- 2) A written cost-benefit analysis shall be utilized by the Agency that identifies the extent to which a project will create or retain permanent, private sector jobs, the estimated value of any tax exemptions to be provided; the amount of private sector investment generated or likely to be generated by the proposed project; the likelihood of accomplishing the proposed project in a timely fashion; and the extent to which the proposed project will provide additional sources of revenue for municipalities and school districts; and any other public benefits that might occur as a result of the project, taking into account the economic condition of the area at the time of the application, the effect of the proposed project upon the environment and surrounding property, and the extent to which the proposed project will provide a benefit (economic or otherwise) not otherwise available within the municipality in which the project is located.
- 3) The Agency's Application for Financial Assistance shall include a statement by the applicant that the project, as of the date of the application, is in substantial compliance with all provisions of GML Article 18-A, including, but not limited to, the provisions of GML Section 859-a(5) and 862(1); and
- 4) If the proposed project involves the removal or abandonment of a facility or plant within the State of New York, the Agency shall notify the chief executive officer or officers of the municipality or municipalities in which the facility or plant was located of the Agency's receipt of an application for Financial Assistance.



**SENECA COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
PROJECT REVIEW AND RECAPTURE POLICY**

The Seneca County Industrial Development Agency (the "IDA") reserves the right to review the performance of projects for which the IDA's financial assistance has been granted (a "Project") to determine if a Project has met the obligations and conditions set forth in the IDA approvals and agreements related to the Project (the "Project Documents"). The terms and conditions of the Project Documents (the "Material Factors") will serve as the benchmark for determining a Project's compliance.

Material Factors should be explicit and measurable and may include items such as investment, job creation, retention or other factors as determined by the board. Material Factors may vary from Project to Project.

**Non-Compliance Review Process:**

If a Project is found to be non-compliant with the Material Factors, the IDA shall undertake the following:

1. The IDA shall notify the Project owner/operator (the "Company") in writing that, in the IDA's determination, the Company has violated a Material Factor.
2. The Company shall be given an opportunity to remedy the violation.
3. If the Company is unable or unwilling to remedy the violation, the IDA shall seek additional information/explanation from the company as to why a Material Factor was not achieved. These may include economic or natural factors that led to the violation. These factors should be discussed and predetermined to the extent possible by the Board and may include items such as, natural disaster, industry dynamics, unfair competition or economic events that were outside the control of the Company.
4. The Company shall be provided the opportunity to present to the IDA any information as outlined above regarding why the Material Factor was not achieved.

**Board Actions:**

Following completion of the Non-Compliance Review Process described above, the IDA Board will consider whether to keep benefits in place, reduce, terminate, and/or recapture financial assistance. The following options will be reviewed and considered by the IDA Board:

1. Upon a review of the facts the Board may determine that the non-compliance was justified and/or adequately explained and may consider the matter closed without further action, or set a specific time period for the Company to achieve compliance. This may also be accompanied by a period of increased reporting or such other conditions as the IDA Board may reasonably impose. (e.g., review violated Material Factor(s) quarterly until remedied.)
2. In the event of non-compliance with a Material Factor that is not, in the IDA Board's determination, justified by factors outside the Company's control and/or otherwise adequately explained, the IDA Board may determine that such non-compliance will



result in the reduction, suspension, termination and/or recapture of financial assistance, as provided below.

Reduction of Financial Assistance: The IDA Board may determine that a reduction in financial assistance is appropriate, which reduction may include, without limitation, increased required payments under an agreement for payments in lieu of taxes.

Termination of Financial Assistance: The IDA Board may elect to terminate any ongoing financial assistance to a Company. Reasons for termination should be explicit and may include, without limitation, continued violation of the Material Factors or failure to comply with ongoing reporting or compliance requirements of the IDA.

Recapture of Financial Assistance: An IDA Board may require that all or part of the financial assistance for a Project be returned, including all or part of the amount of any tax exemptions. Events justifying recapture may include, without limitation, a Company knowingly providing false information on an application or a compliance/monitoring report; a finding that the Company did not make a good faith effort or have any intention of meeting a Material Factor; a company ceases operations and/or relocates; material non-compliance with state and/or local laws or regulations; and material shortfalls in job creation and retention projections.

In the event an IDA is successful in recapturing financial assistance, such funds shall be returned to the appropriate affected taxing jurisdictions on a pro rata basis unless otherwise agreed upon by the local taxing jurisdiction.

#### Annual Review

The IDA shall annually assess the progress of each Project for which bonds or notes remain outstanding or straight-lease transactions have not been terminated, or which continue to receive financial assistance or are otherwise active, toward achieving the investment, job retention or creation, or other objectives of the Project indicated in the Project applications. Such assessments shall be provided to the IDA Board.

# ADDENDUM TO IDA APPLICATION FOR FINANCIAL ASSISTANCE

## Cost Benefit Analysis<sup>1</sup>

**To be completed/calculated by the AGENCY**

### Costs = Financial Assistance

Estimated Property Tax Exemption	\$
Estimated Sales Tax Exemption	\$
Estimated Mortgage Recording Tax Exemption	\$
Estimated Interest Savings (Bonds)	\$
Other (Public Grants Awarded, etc.)	\$
<b>TOTAL COSTS</b>	\$

### Benefits = Economic Development

Estimated Ongoing Payroll*	\$
Total Capital Costs	\$
Estimated Property Tax Revenue (PILOT Payments)	\$
Temporary Sales Tax Revenue <sup>1</sup>	\$
IDA Agency Fee	\$
Other (Host Community Agreement, etc.)	\$
<b>TOTAL BENEFITS</b>	\$
<b>Benefit to Cost Ratio</b>	\$

### Additional Considerations

Project is likely to be accomplished within 3 years.

Project contributes to NY State's renewable energy goals and emission reduction targets as adopted pursuant to section 6-104 of the energy law.

\*Ongoing Payroll Calculator:

Total Payroll	Total FTEs Created & Retained	Average Salary	PILOT Duration
\$ _____	_____	\$ _____	_____

Estimated value of goods and services to be exempt from sales and use tax. (to be used on NYS ST-60) \$ \_\_\_\_\_

<sup>1</sup> This Cost Benefit Analysis was conducted in accordance with NYS GMU 859a.

<sup>1</sup> Temporary Sales Tax Revenue includes any construction/one-time costs that are not exempt from sales tax.



# ADDENDUM TO IDA APPLICATION FOR FINANCIAL ASSISTANCE

## Real Property Tax Benefits (Detailed):

\*\* This section of this Application will be: (i) completed by IDA Staff based upon information contained within the Application, and (ii) provided to the Applicant for ultimate inclusion as part of this completed Application.

### Tax Agreement Estimate Table Worksheet

Dollar Value of New Construction and Renovation Costs	Estimated New Assessed Value of Property *	County Tax Rate/1000	Local Tax Rate (Town/City/Village)/1000	School Tax Rate/1000

\*Apply equalization rate to value

PILOT Year	% Payment	County PILOT Amount	Local PILOT Amount	School PILOT Amount	Total PILOT	Full Tax Payment w/o PILOT	Net Exemption
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
TOTAL							

\*Estimates provided are based on current property tax rates and assessment values

# **Seneca County IDA Meeting Dates 2023**

\* \* \* \* \*

**January 5<sup>th</sup>**

**February 2<sup>nd</sup>**

**March 23<sup>rd</sup>** *(March & April Combined)*

**May 4<sup>th</sup>**

**June 1<sup>st</sup>**

**July 6<sup>th</sup>**

**August 3<sup>rd</sup>**

**September 7<sup>th</sup>**

**October 5<sup>th</sup>**

**November 2<sup>nd</sup>**

**December 7<sup>th</sup>**

*\*All meetings are scheduled to begin at 12 Noon  
Dates are subject to change*



SENECA COUNTY IDA  
REVOLVING LOAN FUND STATUS REPORT  
as of November 2022

ACTIVE LOANS	TYPE OF LOAN	LOAN AMOUNT	DATE CLOSED	LOAN TERMS	REPAYMENT STATUS	OUTSTANDING PRINCIPAL as of 11/30/2022	Scheduled End Date of Loan
BONADENT	Fixed Asset	\$400,000	12/01/10	2.4375% / 15 YRS	CURRENT	\$104,360	04/01/26
Bestmade Products	Fixed Asset	\$90,000	09/16/22	3.560% / 5.5 YRS (Interest only first 6 months)	CURRENT	\$90,000	03/01/28
PINE TREE FARMS	Fixed Asset	\$350,000	05/03/18	3.5625% / 5 YRS	PAID IN FULL	\$0	NA
SCHRADER FARMS	Fixed Asset	\$185,000	6/23/2021	2.44% / 10 YRS	CURRENT	\$162,859.78	7/1/2031

Current Balance Available for Lending: **\$844,207**