

**INDUCEMENT RESOLUTION**  
*(Keystone Mills, Project)*

A meeting of the Seneca County Industrial Development Agency was convened on May 6, 2021.

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

**Resolution No. 2021 – 14**

**RESOLUTION OF THE SENECA COUNTY INDUSTRIAL DEVELOPMENT AGENCY (THE "AGENCY") (i) ACCEPTING THE APPLICATION OF KEYSTONE MILLS, LLC (THE "COMPANY") DATED APRIL 9, 2021 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, **KEYSTONE MILLS, LLC**, a New York 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 45.8 acres located at 1775 State Route 336, Town of Fayette, New York (the "Land"), (ii) the construction on the Land of a feed milling facility with stoorage and warehouse space and 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

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.

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:

	<i><b>Yea</b></i>	<i><b>Nay</b></i>	<i><b>Abstain</b></i>	<i><b>Absent</b></i>
Steven Brusso	[       ]	[       ]	[       ]	[       ]
Steve Wadhams	[       ]	[       ]	[       ]	[       ]
Thomas Kime	[       ]	[       ]	[       ]	[       ]
Don Trout	[       ]	[       ]	[       ]	[       ]
Jeffery Shipley	[       ]	[       ]	[       ]	[       ]
Menzo Case	[       ]	[       ]	[       ]	[       ]
Bruce Murray	[       ]	[       ]	[       ]	[       ]
Tom Murray	[       ]	[       ]	[       ]	[       ]

The Resolutions were thereupon duly adopted.

**SECRETARY'S CERTIFICATION**  
(*Keystone Mills, LLC Project*)

STATE OF NEW YORK                    )  
COUNTY OF SENECA                ) ss.:

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

That I have compared the annexed extract of minutes of the meeting of the Seneca County Industrial Development Agency (the "Agency"), including the resolution contained therein, held on May 8, 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 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 \_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
Secretary