

RESOLUTION
(NY Lodi I LLC Project)

A regular meeting of Seneca County Industrial Development Agency on
November 4, 2021, at 12:00 p.m. (noon).

The following resolution was duly offered and seconded, to wit:
Resolution No. 2021-23

RESOLUTION AUTHORIZING THE SENECA COUNTY INDUSTRIAL DEVELOPMENT AGENCY (THE "AGENCY") TO (i) UNDERTAKE A CERTAIN PROJECT (AS DEFINED BELOW) FOR THE BENEFIT OF NY LODI I LLC (THE "COMPANY"), (ii) NEGOTIATE, EXECUTE AND DELIVER A LEASE AGREEMENT, LEASEBACK AGREEMENT, AGENT AGREEMENT, PAYMENT IN LIEU OF TAX AGREEMENT, AND RELATED DOCUMENTS, (iii) PROVIDE FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF (a) A SALES AND USE TAX EXEMPTION FOR PURCHASES AND RENTALS RELATED TO THE UNDERTAKING OF THE PROJECT, (b) A PARTIAL REAL PROPERTY TAX ABATEMENT UNDER A PAYMENT IN LIEU OF TAX AGREEMENT, AND (c) A MORTGAGE RECORDING TAX EXEMPTION FOR FINANCING RELATED TO THE PROJECT; AND (iv) EXECUTE A MORTGAGE 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, 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 civic, industrial, manufacturing and commercial facilities as authorized by the Act; and

WHEREAS, NY Lodi I 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 a leasehold interest in certain real property located at 1877 Halsey Lane, Town of Lodi, 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 4.99 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, by resolution adopted on September 2, 2021 (the "Inducement Resolution"), the Agency (i) accepted the Application, (ii) directed that a public hearing be held pursuant to General Municipal Law section 859-a; and (iii) declared itself "lead agency" for purposes of 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"); and

WHEREAS, pursuant to General Municipal Law section 859-a, on September 20, 2021, at 3:00 p.m. at Lodi Town Hall, 8440 North Main Street, Lodi, New York, the Agency held a public hearing with respect to the Project and the proposed Financial Assistance (as defined in the Inducement Resolution) being contemplated by the Agency (the "Public Hearing") whereat interested parties were provided a reasonable opportunity, both orally and in writing, to present their views; and

WHEREAS, copies of the minutes of the Public Hearing, written submissions and the notice of the Public Hearing published and forwarded to the affected taxing jurisdictions at least then (10) days prior to said Public Hearing are attached hereto as Exhibit A; and

WHEREAS, the Agency has prepared a cost-benefit analysis with respect to the Project and the contemplated Financial Assistance and has reviewed the results of said cost-benefit analysis; and

WHEREAS, in reviewing the Application, the Agency has considered (i) the nature of the Project, (ii) the economic condition of the area and the multiplying effect the Project will have on the area; (iii) the extent to which the Project will create permanent, private sector jobs; (iv) the estimated value of tax exemptions contemplated to be provided; (v) the economic impact of the Project and proposed tax exemptions on affected taxing jurisdictions; (vi) the impact of the Project on existing and proposed businesses and economic development projects in the vicinity of the Project; (vii) the amount of private sector investment likely to be generated by the Project; (viii) the extent to which the Project will require the provision of additional services; (ix) the extent to which the Project will provide additional sources of revenue for the municipalities and school district in which the Project is located; and (x) the benefit of the Project not otherwise available to the area in which the Project is located; and

WHEREAS, the Agency has conducted a review of the Project pursuant to SEQRA; and

WHEREAS, the Agency desires to adopt a resolution (i) acknowledging that the Public Hearing was held in compliance with the Act, (ii) authorizing Financial Assistance to the Company in excess of \$100,000, (iii) authorizing the execution and delivery of the Lease Agreement, the Leaseback Agreement, the Agent Agreement, the PILOT Agreement (as all of the foregoing are defined in the Inducement Resolution) and all documents related thereto (collectively, the "Transaction Documents"), and (iv) authorizing the execution and delivery of one or more mortgages and related documents related to the financing of the Project.

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

Section 1. The Agency hereby finds and determines:

(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 Project will promote employment opportunities and prevent economic deterioration in Seneca County, and otherwise further the purposes of the Agency, and that by entering into the PILOT Agreement and otherwise providing financial assistance for the Project the Agency will be increasing employment opportunities in Seneca County and otherwise furthering the purposes of the Act; and

(c) The Facility constitutes a commercial facility and a "project" as such term is defined in the Act; and

(d) The leasing of the Facility from and the subleasing back of the Facility to the Company will promote and maintain job opportunities, health, general prosperity and economic welfare of the citizens of the County of Seneca and State of New York and improve their standard of living and thereby serve the public purposes of the Act; and

(e) Based upon the representations and warranties of the Company, the Facility conforms with local zoning laws and planning regulations of the County of Seneca and all regional and local land use plans for the area in which the Facility is located; and

(f) Based upon the representations and warranties of the Company, the Facility and the operations conducted thereon will not cause or result in the violation of the health, labor or other laws of the United States of America, the State of New York or the County of Seneca; and

(g) It is desirable and in the public interest for the Agency to acquire an interest in the Facility; and

(h) The Lease Agreement will be an effective instrument whereby the Company leases the Facility to the Agency; and

(i) The Leaseback Agreement will be an effective instrument whereby the Agency subleases the Facility back to the Company; and

(j) The PILOT Agreement will be an effective instrument whereby the Agency and the Company set forth the terms and conditions of their agreement regarding the Company's payment of payments in lieu of real property taxes; and

(k) The Agent Agreement will be an effective instrument whereby the Agency and the Company set forth the terms and conditions of their agreement regarding the Agency's appointment of the Company as its agent for the Project; and

(l) The Public Hearing held by the Agency on September 20, 2021 concerning the Project and the Financial Assistance was duly held in accordance with the Act, including but not limited to the giving of at least ten (10) days published notice of the Public Hearing (such notice also provided to the Chief Executive Officer of each affected tax jurisdiction), affording interested parties a reasonable opportunity, both orally and in writing, to present their views with respect to the Project.

Section 2. In consequence of the foregoing, the Agency hereby determines to (a) acquire a leasehold interest in the facility pursuant to the Lease Agreement, (b) sublease the Facility back to the Company pursuant to the Leaseback Agreement, (c) authorize the undertaking of the Project and appoint the Company as its agent for purposes of acquiring, constructing and/or equipping the Facility, subject to the Company entering into the Agent Agreement, and (d) provide financial assistance for the Project in the form of (i) a sales and use tax exemption for purchases and rentals related to the undertaking of the Project, subject to the terms and conditions of the Agent Agreement, the total value of the exemption not to exceed \$477,000, (ii) a partial real property tax abatement, subject to the terms and conditions of the PILOT Agreement, and (iii) a mortgage recording tax exemption for financing related to the Project.

Section 3. The Agency finds that the Project will not result in any significant adverse environmental impacts.

Section 4. The foregoing resolutions notwithstanding, the Agency's appointment of the Company as its agent for purposes of undertaking the Project is subject to and conditioned upon the Company's agreement, in accordance with Section 875(3) of the New York General Municipal Law, that, if the Company receives New York State and local sales and use tax exemption benefits ("sales and use tax exemption benefits") from the Agency, and it is determined that: (i) the Company 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 by the Agency to be taken by the Company; (iii) the sales and use tax exemption benefits are for property or services not authorized by the Agency as part of the Project; or (iv) the sales and use tax exemption benefits are taken in cases where the Company 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, then the Company will (A) cooperate with the Agency in its efforts to recover or recapture any sales and use tax exemption benefits, and (B) promptly pay over any such amounts to the Agency that the Agency demands in connection therewith, and that in the event that the Company fails to pay over such amounts to the Agency, the New York State Tax Commissioner may assess and determine New York State and local sales and use taxes due from the Company, together with any relevant penalties and interest due on such amounts.

Section 5. The Chairman, Vice Chairman and/or the Executive Director of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Transaction Documents in substantially the forms presented to this meeting, and all documents related thereto, with such additions, changes, variations, omissions and insertions as the Chairman, Vice Chairman and/or Executive Director, shall approve, which agreements may provide for the forfeiture and/or recapture of financial assistance where projected employment goals have not been met. The execution thereof by the Chairman, Vice Chairman and/or Executive Director of the Agency shall constitute conclusive evidence of such approval.

Section 6. The Chairman, Vice Chairman and/or Executive Director of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver any mortgage, assignment of leases and rents, security agreement, UCC-1 Financing Statements and all documents reasonably contemplated by these resolutions and required by any lender or financial institution identified by the Company providing financing for the Project, all

with such changes, variations, omissions and insertions as the Chairman, Vice Chairman and/or Executive Director of the Agency shall approve, the execution thereof by the Chairman, Vice Chairman and/or Executive Director of the Agency to constitute conclusive evidence of such approval, provided in all events recourse against the Agency is limited to the Agency's interest in the Project.

Section 7. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required to execute and deliver all such certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolutions and to cause compliance by the Agency with all of the terms, covenants and provisions of the documents executed for and on behalf of the Agency.

Section 8. These Resolutions shall take effect immediately.

The question of the adoption of the foregoing Resolutions 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				
Stephen Wadhams				
Thomas Murray				
Suzanne Cirencione				

The Resolutions were thereupon duly adopted.

Exhibit A

[NOTICE DOCUMENTS]

Attached

MINUTES OF PUBLIC HEARING

NY LODI I LLC

Monday, September 20, 2021

3:00 PM

Town of Lodi | Lodi Town Hall
8440 N. Main St., Lodi, NY 14860ATTENDEES:

Sarah, Davis, IDA Executive Director, Seneca County IDA
Kelly Kline, IDA Office Manager, Seneca County IDA
Marie Weiss, Local Carpenters Union 277
Kevin Wilkins, Town of Lodi Resident
Debbie Wilkins, Town of Lodi Resident

A public hearing on assistance being extended to NY Lodi I LLC , was opened by Sarah Davis, Executive Director of the Seneca County IDA, at 3:00 PM. Attendees are listed above. Mrs. Davis read the public hearing in its entirety.

The following comments were received:

Kevin Wilkens, who is a neighbor to the site of the proposed solar farm, asked "What benefit is the community receiving from this project? The company is going to build the solar farm with or without the benefits, so why are we giving them benefits?" Mrs. Davis noted two primary benefits to solar projects. The first being the reduction in carbon emissions and the community solar program for residents to opt into allowing them access to the power that is generated from the facility, which would allow for a reduction in their NYSEG bills. Also, there is a real property tax code that allows solar facilities to be fully exempt from paying any property tax on added value due to the construction of a solar facility. Under NYS Law a solar project could come in, develop the property and only ever pay what the current taxes are. Under a PILOT agreement the project would actually pay more in taxes and the Town , School and County will all see an increase in tax revenue.

Mr. Wilkens asked, "How does the IDA look at the project and how it is affecting the neighbors around the solar farm?" His property is right in the middle of the project. Mrs. Davis noted that the IDA is not responsible for the actual sighting of the solar farm. That is a decision made by either the Towns Planning and or Zoning boards. However, the IDA board is always open to hear the concerns of the community as it relates to a project and would take any concerns by the community into consideration.

Marie Weiss, representing Carpenters local 277, stated her comments are neither pro or con towards the project. She has seen many solar projects evolve through Seneca County and throughout New York State and her concern is for the worker, the boots on the ground as they say. She has seen multiple companies come in and sub-contract to other companies and the actual boots on the ground workers are not usually from the local areas. She has seen so many people from out of the area come in and do the work, which is great, but wishes the workers were local to the area. Mrs. Davis noted that the IDA does have a local labor policy and all companies that receive assistance from the IDA are expected to adhere to that. Mrs. Davis also noted that the agency is currently looking to revise the policy in 2022 to be in compliance with the upcoming prevailing wage requirement.

Debbie Wilkins, who is a neighbor to the site of the proposed solar farm, asked ,"What say or rights does she have as a homeowner when her property is in the middle of the project? Will there be any type of visual or privacy berms placed around the solar farm? ". Mrs. Davis suggested that she reach out to her Town Board for clarification on the site plan but noted that another project completed by the same company in the Town of Fayette did erect berms to hide the solar panels from view.

There were no written comments. Mrs. Davis closed the hearing at 3:18pm

Respectfully submitted,

Sarah R. Davis
IDA Executive Director

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a public hearing pursuant to Article 18-A of the New York State General Municipal Law, will be held by the Seneca County Industrial Development Agency (the "Agency") on the 20th day of September, 2021 at 3:00 pm, local time, at the Lodi Town Hall, 8440 N. Main St. Lodi, NY 14860 in connection with the following matters:

NY Lodi I LLC, on behalf of itself and/or an entity formed or to be formed on its behalf (collectively, the "Company") has applied to the Agency to enter into a transaction in which the Agency will assist in (i) the acquisition of a leasehold interest in certain real property located at 1877 Halsey Lane, Town of Lodi, 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 4.99 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 the documents are available to view on Improvements, the "Facility").

The initial owner of the Facility will be the Company. The Agency will acquire a subleasehold interest in the Facility from the Company and lease the Facility back to the Company. At the end of the lease term, the Agency will terminate its leasehold interest. The Agency contemplates it will provide financial assistance to the Company in the form of exemptions from sales and use taxes, exemptions from mortgage recording taxes and abatement of property taxes.

A representative of the Agency will at the above-stated time and place hear and accept written comments from all persons with views in favor of or opposed to either the proposed financial assistance to the Company or the location or nature of the Facility. A copy of the Application for Financial Assistance filed by the Company with the Agency, including an analysis of the costs and benefits of the proposed Facility, is available for public inspection on the Seneca County IDA's website at <https://www.senecacountyida.org/senida-meetings-and-minutes>

SENECA COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

Dated: August 19, 2021

By: /s/ Sarah Davis, Executive Director