

INDUCEMENT RESOLUTION
(NY Fayette I LLC Project)

A meeting of the Seneca County Industrial Development Agency was convened on October 1, 2020.

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

Resolution No: 2020-17

RESOLUTION OF THE SENECA COUNTY INDUSTRIAL DEVELOPMENT AGENCY (THE "AGENCY") (i) ACCEPTING THE APPLICATION OF NY FAYETTE I LLC (THE "COMPANY") DATED SEPTEMBER 10, 2020 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, (IV) AUTHORIZING FINANCIAL ASSISTANCE IN AN AMOUNT NOT EXCEEDING ONE HUNDRED THOUSAND DOLLARS (\$100,000), AND (v) 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, NY Lafayette 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 2497 Canoga Road, Town of Fayette, 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 five 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 sublease 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 sub-leasehold interest in the Land and a leasehold interest in 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 Company has requested that the Agency provide financial assistance in the form of a sales and use tax exemption for purchases and rentals related to the acquisition, construction and equipping of the Facility in an amount not exceeding One Hundred Thousand Dollars prior to the public hearing the Agency contemplates holding with respect to the Project; and

WHEREAS, the Town of Fayette Planning Board (the "Lead Agency") has acted 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, as a result of its review pursuant to SEQRA, the Lead Agency adopted a resolution on August 24, 2020 determining that the Project did not present a potential significant adverse environmental impact (the "Negative Declaration");

WHEREAS, the Agency has been provided with written notice of the Lead Agency's Negative Declaration and copies of relevant resolutions and assessment forms; and

WHEREAS, the Negative Declaration is binding upon the Agency pursuant to 6 N.Y.C.R.R. § 617.6(b)(3)(iii);

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 Agency acknowledges receipt of written notice of the Negative Declaration issued by Lead Agency on August 24, 2020 pursuant to 6 N.Y.C.R.R. § 617.7 and accepts the Lead Agency's determination that the Project does not pose a potential significant adverse environmental impact.

Section 5. The Agency authorizes the undertaking of the Project and appoints the Company as its agent for purposes of acquiring, constructing and/or equipping the Facility, subject to the Company entering into an Agent Agreement and related agreements, and approves financial assistance for the Project in the form of 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 \$100,000. The foregoing resolution 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 6. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required and to execute and deliver all such certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolutions and to cause compliance by the Agency with all of the terms, covenants and provisions of the documents executed for and on behalf of the Agency.

Section 7. These Resolutions shall take effect immediately.

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

	<i>Yea</i>	<i>Nay</i>	<i>Abstain</i>	<i>Absent</i>
Valerie Bassett	[x]	[]	[]	[]
Steven Brusso	[x]	[]	[]	[]
Menzo Case	[x]	[]	[]	[]
Thomas Kime	[x]	[]	[]	[]
Erica Paolicelli	[x]	[]	[]	[]
Jeffery Shipley	[x]	[]	[]	[]
Don Trout	[x]	[]	[]	[]
Steve Wadhams	[x]	[]	[]	[]

The Resolutions were thereupon duly adopted.

SECRETARY'S CERTIFICATION
(NY Fayette 1 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 October 1, 2020, 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 1st day of October 2020



Stephen Wadhams