

RESOLUTION
(5S Development LLC Project)

A regular meeting of Seneca County Industrial Development Agency on
February 2, 2023, at 12:00 p.m. (noon).

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

Resolution No: 2023 – 08

RESOLUTION AUTHORIZING THE SENECA COUNTY INDUSTRIAL DEVELOPMENT AGENCY (THE "AGENCY") TO (i) UNDERTAKE A CERTAIN PROJECT (AS DEFINED BELOW) FOR THE BENEFIT OF 5S DEVELOPMENT, 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

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, 5S DEVELOPMENT, 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 1281 State Route 96, Waterloo, New York (the "Land"), (ii) the construction on the Land of a 5,000 square-foot, two story addition to the current office building located on the land, together with site improvements 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, by resolution adopted on July 7, 2022 (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) approved 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 (as defined in the Inducement Resolution), the total value of the exemption not to exceed \$108,000; and

WHEREAS, pursuant to General Municipal Law section 859-a, on January 20, 2023, at 1:00p.m. at 1 DiPronio Drive, Seneca Falls, 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 PILOT Agreement (as defined in the Inducement Resolution) as so contemplated provides for a schedule of payments to be made by the Company to the Agency; 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”).

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 as contemplated by the Act, 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 January 20, 2023 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 \$108,000.00, (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 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 4. 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 5. 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 6. 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	x			
Thomas L. Kime				x
C. Ernest Brownell	x			
Bruce Murray	x			
Jeffrey Shipley	x			
Thomas Murray				x
Ralph Lott	x			
Benjamin Guthrie	x			

The Resolutions were thereupon duly adopted.

Exhibit A

[NOTICE DOCUMENTS]

Attached

MINUTES OF PUBLIC HEARING

5s Development, LLC
Town of Waterloo
One DiPronio Drive
Waterloo NY 13165

January 20, 2023
1:00 PM

ATTENDEES:

Sarah, Davis, IDA Executive Director, Seneca County IDA
Kelly Kline, IDA Staff
Dave Hewitt, IDA Staff
Laverne Sessler, 5S Development
Alex Walsh, Sessler Co.

A public hearing on assistance being extended to 5S Development was opened by Sarah Davis, Executive Director of the Seneca County IDA, at 1:00 PM. Attendees are listed above. No written or oral comments were received.

The public hearing was closed at 1:15 P.M.

Respectfully submitted,

Sarah R. Davis
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 January 2023 at 1:00 p.m., local time, at the Seneca County Office Building, Heroes Conference Room 1 DiPronio Drive, Seneca Falls, New York in connection with the following matters:

5S Development, LLC, on behalf of itself and/or the principals of 5S Development, LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "Company") has applied to the Agency to enter into a transaction in which the Agency will assist in a certain project consisting of: (i) the acquisition of 1281 State Route 96, Waterloo, New York (the "Land"), (ii) the construction on the Land of a 5,000 square-foot, two story addition to the current office building located on the land, together with site improvements 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").

The initial owner of the Facility will be the Company. The Agency will acquire a leasehold 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 at the offices of the Agency, One DiPronio Drive, Waterloo, New York.

SENECA COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

Dated: January 4, 2023

By: /s/ Sarah Davis, Executive Director

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Number

President, Board of Education
Waterloo Central School District
109 Washington Street
Waterloo, NY 13165



9590 9402 6199 0220 9939 18

2. Article Number (Transfer from service label)

7020 3160 0000 4061 4064

PS Form 3811, July 2020 PSN 7530-02-000-9053

Domestic Return Receipt

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent Addressee

B. Received by (Printed Name) _____ C. Date of Delivery 1/6/23

D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No

3. Service Type

<input type="checkbox"/> Adult Signature	<input type="checkbox"/> Priority Mail Express®
<input type="checkbox"/> Adult Signature Restricted Delivery	<input type="checkbox"/> Registered Mail™
<input type="checkbox"/> Certified Mail®	<input type="checkbox"/> Registered Mail Restricted Delivery
<input type="checkbox"/> Certified Mail Restricted Delivery	<input type="checkbox"/> Signature Confirmation™
<input type="checkbox"/> Collect on Delivery	<input type="checkbox"/> Signature Confirmation Restricted Delivery
<input type="checkbox"/> Collect on Delivery Restricted Delivery	<input type="checkbox"/> Insured Mail
<input type="checkbox"/> Insured Mail	<input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent Addressee

B. Received by (Printed Name) _____ C. Date of Delivery 1/6/23

D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No

3. Service Type

<input type="checkbox"/> Adult Signature	<input type="checkbox"/> Priority Mail Express®
<input type="checkbox"/> Adult Signature Restricted Delivery	<input type="checkbox"/> Registered Mail™
<input type="checkbox"/> Certified Mail®	<input type="checkbox"/> Registered Mail Restricted Delivery
<input type="checkbox"/> Certified Mail Restricted Delivery	<input type="checkbox"/> Signature Confirmation™
<input type="checkbox"/> Collect on Delivery	<input type="checkbox"/> Signature Confirmation Restricted Delivery

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Mitch Rowe, Seneca County Manager
One DiPronio Drive
Waterloo, NY 13165



9590 9402 6199 0220 9938 40

2. Article Number (Transfer from service label)

7020 3160 0000 4061 3968

PS Form 3811, July 2020 PSN 7530-02-000-9053

Domestic Return Receipt

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent Addressee

B. Received by (Printed Name) DEBORAH HEITMAN C. Date of Delivery 1/6/23

D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No

3. Service Type

<input type="checkbox"/> Adult Signature	<input type="checkbox"/> Priority Mail Express®
<input type="checkbox"/> Adult Signature Restricted Delivery	<input type="checkbox"/> Registered Mail™
<input type="checkbox"/> Certified Mail®	<input type="checkbox"/> Registered Mail Restricted Delivery
<input type="checkbox"/> Certified Mail Restricted Delivery	<input type="checkbox"/> Signature Confirmation™
<input type="checkbox"/> Collect on Delivery	<input type="checkbox"/> Signature Confirmation Restricted Delivery
<input type="checkbox"/> Collect on Delivery Restricted Delivery	<input type="checkbox"/> Insured Mail
<input type="checkbox"/> Insured Mail	<input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)

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Terri Baris, Superintendent of Schools
Waterloo Central School District
109 Washington Street
Waterloo, NY 13165



9590 9402 6199 0220 9939 01

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent Addressee

B. Received by (Printed Name) DEBORAH HEITMAN C. Date of Delivery 1/6/23

D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No

3. Service Type

<input type="checkbox"/> Adult Signature	<input type="checkbox"/> Priority Mail Express®
<input type="checkbox"/> Adult Signature Restricted Delivery	<input type="checkbox"/> Registered Mail™
<input type="checkbox"/> Certified Mail®	<input type="checkbox"/> Registered Mail Restricted Delivery
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<input type="checkbox"/> Collect on Delivery Restricted Delivery	<input type="checkbox"/> Insured Mail
<input type="checkbox"/> Insured Mail	<input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent Addressee

B. Received by (Printed Name) Don Trout C. Date of Delivery 1/6/23

D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No

3. Service Type

<input type="checkbox"/> Adult Signature	<input type="checkbox"/> Priority Mail Express®
<input type="checkbox"/> Adult Signature Restricted Delivery	<input type="checkbox"/> Registered Mail™
<input type="checkbox"/> Certified Mail®	<input type="checkbox"/> Registered Mail Restricted Delivery
<input type="checkbox"/> Certified Mail Restricted Delivery	<input type="checkbox"/> Signature Confirmation™
<input type="checkbox"/> Collect on Delivery	<input type="checkbox"/> Signature Confirmation Restricted Delivery

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Margaret E. Li
 clerk to Seneca County Board of Supervisors
One DiPronio Drive
Waterloo, NY 13165



9590 9402 6199 0220 9938 33

2. Article Number (Transfer from service label)

7020 3160 0000 4061 3951

PS Form 3811, July 2020 PSN 7530-02-000-9053

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Don Trout,
Town of Waterloo Supervisor
66 Virginia Street
Waterloo, NY 13165



9590 9402 6199 0220 9938 95