

## UNIFORM PROJECT AGREEMENT

THIS UNIFORM PROJECT AGREEMENT (this "Agreement") is made this 4<sup>th</sup> day of May, 2020, by and between **SENECA COUNTY INDUSTRIAL DEVELOPMENT AGENCY**, a public benefit corporation duly existing under the laws of the State of New York with offices at One DiPronio Drive, Waterloo, New York 13165 (the "Agency") and **SENECA DAIRY SYSTEMS LLC**, a New York limited liability company having offices at 3236 Hoster Road, Seneca Falls, New York 13148 (the "Company").

WITNESSETH:

WHEREAS, the Agency was created by Chapter 63 of the Laws of 1972 of the State of New York pursuant to Title I of Article 18-A of the General Municipal Law of the State of New York (collectively, the "Act") as a body corporate and politic and as a public benefit corporation of the State of New York; and

WHEREAS, the Company has submitted an application, as revised (as so revised, the "Application") to the Agency requesting the Agency's assistance with respect to a certain Project (the "Project") consisting of: (i) the acquisition of an interest in approximately seventy-five (75) acres within the former Seneca Army Depot situated south of former County Road 135 and west of the former Fayette Street (the "Land"), (ii) the phased construction on the Land of approximately 223,000 square feet of manufacturing and warehousing facilities, an office complex 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 "Leased Premises");; and

WHEREAS, pursuant to the Application the Company has requested financial assistance in the form of a sales tax exemption/mortgage recording tax exemption/ partial real property tax abatement, subject to the terms and conditions of the Payment In Lieu of Tax Agreement entered into by the Agency and the Company on or about the date hereof (the "PILOT Agreement") (collectively, the "Financial Assistance"); and

WHEREAS, to facilitate the Financial Assistance, the Agency and the Company contemplate entering into the PILOT Agreement, an Agent Agreement, and certain other agreements (the PILOT Agreement and all other agreements entered into in connection therewith, including without limitation this Agreement, are collectively referred to herein as the "Transaction Documents");

WHEREAS, by Resolution adopted on October 3<sup>rd</sup>, 2019 (the "Resolution"), the Agency authorized the undertaking of the Project and the negotiation, execution and delivery of the Transaction Documents; and

WHEREAS, the Agency desires to enter into this Agreement with the Company in accordance with section 859-a(6) of the Act to set forth the terms and conditions pursuant to which the Financial Assistance will be granted.

NOW THEREFORE, in consideration of the covenants herein contained and other good

and valuable consideration the receipt and sufficiency of which are hereby acknowledged, it is mutually agreed as follows:

1. Description of the Project and the Financial Assistance. The descriptions of the Project and the Financial Assistance as set forth in the recitals above are hereby incorporated by reference as though fully set forth in this Section 1.

2. Financial Documentation. The Company shall (and shall cause any other owner, occupant or operator receiving financial benefits from the Agency related to the Project to) annually provide to the Agency a certified statement and documentation:

(a) Enumerating the full time equivalent jobs retained and the full time equivalent jobs created as a result of the Financial Assistance, by category, including full time equivalent independent contractors or employees of independent contractors that work at the Project location.

(b) Indicating that the salary and fringe benefit averages or ranges for categories of jobs retained and jobs created that was provided in the Application is still accurate and if it is not still accurate, providing a revised list of salary and fringe benefit averages or ranges for categories of jobs retained and jobs created.

3. PILOT Payments. A copy of the PILOT Agreement, which provides the amount of payments to be made to each taxing jurisdiction thereunder and/or a formula or formulas for calculating the amount of such payments, is attached hereto as Exhibit A.

4. Benefit Recapture. All or part of the Financial Assistance, including any tax exemptions, may be suspended, discontinued, or be required to be returned, and the PILOT Agreement may be modified to require increased payments, in accordance with the Benefit Recapture Agreement executed by the parties on or about the date hereof. In the event of the return of any tax exemptions, the returned amount shall be redistributed to the appropriate affected tax jurisdiction, unless agreed to otherwise by any local taxing jurisdiction or jurisdictions.

5. Certification of Compliance. The Company hereby certifies, under penalty of perjury, that it is in substantial compliance with all local, state, and federal tax, worker protection and environmental laws, rules and regulations.

SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, the parties have executed this Uniform Project Agreement as of the date first set forth above.

SENECA COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY

By Robert Aronson  
Name: Robert Aronson  
Title: Executive Director

SENECA DAIRY SYSTEMS LLC

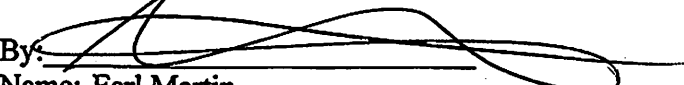
By: \_\_\_\_\_  
Name: Earl Martin  
Title: Managing Member

IN WITNESS WHEREOF, the parties have executed this Uniform Project Agreement as of the date first set forth above.

**SENECA COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY**

By \_\_\_\_\_  
Name: Robert Aronson  
Title: Executive Director

**SENECA DAIRY SYSTEMS LLC**

By:   
Name: Earl Martin  
Title: Managing Member

**EXHIBIT A**

**PILOT AGREEMENT**  
**(Attached)**

SENECA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

AND

SENECA DAIRY SYSTEMS LLC

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PAYMENT-IN-LIEU-OF-TAX AGREEMENT

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Dated as of May 4, 2020

Affected Tax Jurisdictions:

Seneca County

Town of Romulus

Romulus Central School District

Tax Map No(s): Part of 11-1-02

*Seneca Dairy Systems LLC Project*

*at*

*Romulus, New York*

## PAYMENT-IN-LIEU-OF-TAX AGREEMENT

THIS PAYMENT-IN-LIEU-OF-TAX AGREEMENT (the "Agreement"), dated as of the 4<sup>th</sup> day of May 2020, by and between **SENECA COUNTY INDUSTRIAL DEVELOPMENT AGENCY**, a public benefit corporation of the State of New York, having its offices at 1 DiPronio Drive, Waterloo, New York 13165 (the "Agency") and **SENECA DAIRY SYSTEMS LLC**, a New York Limited Liability Company having offices at 3236 Hoster Road, Seneca Falls, New York 13148 (the "Company").

### WITNESSETH:

WHEREAS, the Agency was created by Chapter 63 of the Laws of 1972 of the State of New York pursuant to Title 1 of Article 18-A of the General Municipal Law of the State of New York (collectively, the "Act") as a body corporate and politic and as a public benefit corporation of the State of New York; and

WHEREAS, the Company has submitted an application, as revised (as so revised, the "Application") to the Agency requesting that the Agency consider undertaking a Project (the "Project") consisting of: (i) the acquisition of an interest in approximately seventy-five (75) acres within the former Seneca Army Depot situated south of former County Road 135 and west of the former Fayette Street (the "Land"), (ii) the phased construction on the Land of approximately 223,000 square feet of manufacturing and warehousing facilities, an office complex 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, in order to induce the Company to acquire, construct and equip the Facility, the Agency is willing to take title to or a leasehold interest in the Facility pursuant to a lease agreement, dated as of the date hereof, by and between the Company, as lessor, and the Agency, as lessee (the "Lease Agreement"), and thereafter the Agency, as sub-lessor, will lease its interest in the Facility back to the Company, as sub-lessee pursuant to the terms and conditions of a certain Leaseback Agreement, dated as of dated the date hereof, (the "Leaseback Agreement" and together with the Lease Agreement, the "Lease Agreements"); and

WHEREAS, pursuant to Section 874(1) of the Act, the Agency is exempt from the payment of taxes imposed upon real property and improvements owned by it or under its jurisdiction, control or supervision, other than Special Charges, as defined by Section 2.1; and

WHEREAS, the Agency and the Company deem it necessary and proper to enter into an agreement making provisions for payments in lieu of taxes by the Company to the Agency for the benefit of Seneca County (the "County"), Town of Romulus (the "Town"), and the Romulus Central School District (the "School") (collectively, the "Affected Tax Jurisdictions"); and

WHEREAS, the Company and the Agency have entered into one or more Agent Agreements (the "Agent Agreement") and Benefit Recapture Agreements (the "Benefit Recapture Agreement"), and certain other documents (all such documents and agreements, together with the Lease Agreements, being herein referred to as the "Transaction Documents") providing for certain terms and conditions with respect to the Agency's involvement in the Facility; and

NOW, THEREFORE, in consideration of the covenants herein contained, and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, it is mutually agreed as follows:

Section I - Payment in lieu of Ad Valorem Taxes:

Section 1.1 Exemption Application. A.) Subject to the completion and filing by the Agency or its designee at the direction of the Agency on or before the taxable status date (**March 1, 2021**) (the "Taxable Status Date") of New York State Form RP-412-a Application For Real Property Tax Exemption (the "Exemption Application") under Section 412-a of the New York State Real Property Tax Law and Section 874 of the Act and the approval of the Exemption Application by the appropriate assessors or Board of Assessment Review, the Facility shall be exempt from Real Estate Taxes for the periods set forth in Section 1.3. For purposes of the foregoing "Real Estate Taxes" means all general levy real estate taxes levied against the Facility by the Taxing Jurisdictions. The Company shall provide the Agency with the information necessary for the completion and filing of the Exemption Application and shall provide such additional information and take such actions as are required by the appropriate assessors or Board of Assessment Review to process and approve the Exemption Application. Notwithstanding anything contained herein or in the Leaseback Agreement to the contrary, in the event the exemption from Real Estate Taxes is denied for any reason, the Company shall pay (and hereby agrees to pay) all Real Estate Taxes levied upon the Facility as they become due, specifically including but not limited to Real Estate Taxes for years prior to and after the tax years covered by this Agreement. After giving written notice to the Agency, the Company may in good faith contest the denial of the Exemption Application, provided that (i) the overall operating efficiency of the Facility is not impaired and the Facility continues to qualify as a "project" under the Act; (ii) neither the Facility nor any part of or interest in it would be in any danger of being sold, forfeited or lost; or (iii) neither the Company nor the Agency, as a result of such contest, shall be in any danger of any civil or criminal liability. The Company hereby waives any claim or cause of action against the Agency, and releases the Agency from any liability to the Company, arising from the denial of an exemption from Real Estate Taxes except to the extent that such denial results solely from the failure of the Agency to file the Exemption Application with the appropriate assessors or Board of Assessment Review by the Taxable Status Date.

B.) Agreement to Make Payments. The parties agree and acknowledge that payments made under this Agreement are for purposes of obtaining revenues for public purposes, and to provide a revenue source that the Affected Tax Jurisdictions would otherwise lose because the subject parcels are exempt from the payment of real property taxes pursuant to Section 412-a of the Real Property Tax Law and Section 874 of the General Municipal Law. The Company



shall annually pay to the Agency, as an in lieu of tax payment, an amount equal to the Tax Payment for the applicable town and county, and school tax years as set forth on Schedule A (the "Tax Payments"), for the periods described in Section 1.3. The first Tax Payment (for the 2022 town and county tax year and the 2021-2022 school tax year) and all subsequent Tax Payments as set forth on Schedule A (or such other date as shall be determined by the Agency), shall be due and payable on such date(s) as determined by the Agency on thirty (30) days' notice to the Company (the "Payment Date").

All Tax Payments shall be mailed to the Agency at 1 DiPronio Drive, Waterloo, New York 13165 or as otherwise directed by the Agency. The Company hereby agrees to make all such Tax Payments without further notice or invoice from the Agency or the Affected Tax Jurisdictions. All checks shall be made payable as directed by the Agency from time to time.

(i) The Company hereby waives any and all rights it may have to any refund of prior tax payments for the periods prior to the periods described in Section 1.3.

(ii) The parties hereto acknowledge that the Company shall have the right to institute a grievance with respect to the assessment of the Facility pursuant to Article Seven of the Real Property Tax Law. The Company hereby agrees for the benefit of the Affected Tax Jurisdictions to not seek a refund of any taxes or Special Charges paid or to be paid for periods prior to the periods described in Section 1.3.

(iii) The Agency shall remit to the Affected Tax Jurisdictions amounts received hereunder, if any, within thirty (30) days of receipt of said payment and shall allocate said payments among the Affected Tax Jurisdictions in the same proportion as taxes would have been allocated but for the Agency's involvement, unless the Affected Tax Jurisdictions have consented in writing to a specific allocation.

1.2 Valuation of Future Additions to the Facility: If there shall be a future addition to the Facility constructed or added in any manner after the date of this Agreement (other than the Facility itself), the Company shall notify the Agency of such future addition ("Future Addition"). The notice to the Agency shall contain a copy of the application for a building permit, plans and specifications, and any other relevant evidence that the Agency may thereafter request. Upon the earlier of substantial completion, or the issuance of a certificate of occupancy for any such Future Addition to the Facility, the Company shall become liable for payment of an increase in the Tax Payment. The Agency shall determine the increase in the Tax Payment by applying the tax rate of the Affected Tax Jurisdictions to the value of the Future Addition as reasonably determined by the Agency, and notify the Company of the increase in the Tax Payment related to such Future Addition as soon as practicable after the calculation of such increase is completed. The increase in the Tax Payment related to each Future Addition shall be recomputed annually when the tax rates for each Affected Tax Jurisdiction are set, and shall be due within thirty (30) days after the Company's receipt of an invoice from the Agency. If the Company shall disagree with the determination of value for any Future Additions made by the Agency, then and in that event the Company may apply to have the valuation fixed by a court of competent jurisdiction. Notwithstanding any disagreement between the Company and the Agency, the Company shall pay the increased Tax Payment until a different Tax Payment shall be established (by virtue of a

re-valuation of a Future Addition by the court or otherwise). If a lesser valuation for a Future Addition is determined in any proceeding or by subsequent agreement of the parties, the additional Tax Payment shall be re-computed and any excess payment shall be refunded to the Company or, in the Agency's sole discretion, such excess payment shall be applied as a credit against the next succeeding Tax payment(s).

1.3 Period of Benefits. The tax benefits provided for herein shall be deemed to include: (i) the 2022 town and county tax year through the 2041 town and county tax year and (ii) the 2021-2022 School tax year through the 2040-2041 School tax year. **This Agreement shall expire on December 31, 2041** provided, however, that the Company shall pay the 2041-2042 school taxes and 2042 town and county taxes on the dates and in the amounts as if the Agency had no interest in the Facility on the tax status date with respect to said tax years. In no event shall the Company be entitled to receive tax benefits relative to the Facility for more than the periods provided for herein, unless the period is extended by amendment to this Agreement executed by both parties after any applicable public hearings. The Company agrees that it will not seek any tax exemption for the Facility which could provide benefits for more than the periods provided for herein and specifically agrees that the exemptions provided for herein, to the extent actually received (based on the number of lease years elapsed), supersede and are in substitution of the exemptions provided by Section 485-b of the New York Real Property Tax Law ("RPTL") for the Facility and/or any Future Addition; provided, the foregoing shall not be interpreted to limit the Company and Agency from subsequently agreeing (each in its sole discretion) to additional benefits based upon commitments to make additional improvements or changes in use. It is hereby agreed and understood that the Affected Tax Jurisdictions can rely upon and enforce the above waiver to the same extent as if they were signatories hereto.

## Section II - Special District Charges, Special Assessments and other charges.

2.1 Special District Charges. In addition to the Tax Payments be made by the Company to the Agency pursuant to this Tax Agreement, the Company shall pay all special assessments, special ad valorem levies, service charges and any other charges for which the Facility shall be subject (the "Special Charges") and not exempt by virtue of the Agency's involvement. Such amounts shall to be paid in full in accordance with normal billing practices.

## Section III – Termination of Agreement.

3.1 In the event this Agreement terminates (regardless of whether the Facility is timely transferred back to the Company), the Company agrees to pay no later than the next tax lien date (plus any applicable grace period), to each of the Affected Tax Jurisdictions, an amount equal to the taxes and assessments which would have been levied on the Facility if the Facility had been classified as fully taxable as of the date of termination.

## Section IV - Assessment Challenges.

4.1 The Company shall have all of the rights and remedies of a taxpayer as if and to the same extent as if the Company were the owner of the Facility, with respect to any proposed assessment or change in assessment with respect to the Facility by any of the Affected Tax

Jurisdictions and likewise shall be entitled to protest before and be heard by the appropriate assessors or Board of Assessment Review, and shall be entitled to take any and all appropriate appeals or initiate any proceedings to review the validity or amount of any assessment.

4.2 The Company shall have all of the rights and remedies of a taxpayer with respect to any Special Charges as if and to the same extent as if the Company was the owner of the Facility.

4.3 The Company shall (i) permit the appropriate real estate tax assessment office and tax levy offers to assess the Facility and apply tax rates to the respective assessments as if the Facility was owned by the Company, and (ii) file any accounts or tax returns required by the appropriate real estate tax assessment office and tax levy officers and provide information to the Agency as requested from time to time.

#### Section V - Changes in Law.

5.1 To the extent the Facility is declared to be subject to taxation or assessment by an amendment to the Act, other legislative change, or by final judgment of a Court of competent jurisdiction, the obligations of the Company hereunder shall, to such extent, be null and void.

#### Section VI - Events of Default.

6.1 The following shall constitute "Events of Default" hereunder. (i) the failure by the Company to make the payments described in Section I within fifteen (15) days of notice following the Payment Date (the "Delinquency Date"); (ii) the failure by the Company to make any other payments described herein on or before the last day of any applicable cure period within which said payment can be made without penalty; or (iii) the occurrence and continuance of any events of default under the Agent Agreement, the Lease Agreements, the Benefit Recapture Agreement, or any other Transaction Document after the expiration of any applicable cure periods. Upon the occurrence of an Event of Default the Agency may immediately terminate the Lease Agreements and this Agreement. Such right of termination of this Agreement and the Lease Agreements shall be in addition to any other right or remedy the Agency and/or the Affected Tax Jurisdictions may have at law or in equity, and in the event of such a termination the Facility shall cease to be exempt from Real Estate Taxes as of the effective date of the termination, and the Agency and/or Affected Tax Jurisdictions may, immediately and without further notice to the Company (but with notice to the Agency with respect to actions maintained by the Affected Tax Jurisdictions) pursue any action in the courts to enforce payment or to otherwise recover directly from the Company any amounts so in default. The Agency and the Company hereby acknowledge the right of the Affected Tax Jurisdictions to recover directly from the Company any amounts so in default under this Agency Tax Agreement pursuant to Section 874(6) of the General Municipal Law and the Company shall immediately notify the Agency of any action brought, or other measure taken, by any Affected Tax Jurisdiction to recover any such amount.

6.2 If payments pursuant to Section I herein are not made by the Delinquency Dates, or if any other payment required to be made hereunder is not made by the last day of any applicable cure period within which said payment can be made without penalty, the Company

shall pay penalties and interest as follows. With respect to payments to be made pursuant to Section I herein, if said payment is not received by the Delinquency Date defined in Section 6.1 herein, Company shall pay, in addition to said payment, (i) a late payment penalty equal to five percent (5%) of the amount due and (ii) for each month, or any part thereof, that any such payment is delinquent beyond the first month, interest on the total amount due plus the late payment penalty, in an amount equal to one percent (1%) per month. With respect to all other payments due hereunder, if said payment is not paid within any applicable cure period, Company shall pay, in addition to said payment, the greater of the applicable penalties and interest or penalties and interest which would have been incurred had payments made hereunder been tax payments to the Affected Tax Jurisdictions.

Section VII - Assignment.

7.1 Without the prior written consent of the Agency, which shall not be unreasonably withheld but may be subject to such conditions as the Agency shall reasonably impose, (i) no portion of any interest in this Agreement may be assigned by the Company, (ii) no party other than the Company be entitled to succeed to or otherwise obtain any benefits of the Company hereunder, (iii) there shall be no direct or indirect transfers of ownership interests in the Facility, including but not limited to transfers of direct or indirect ownership interests in the Company.

Section VIII- Miscellaneous.

8.1 Counterparts. This Agreement may be executed in any number of counterparts each of which shall be deemed an original but which together shall constitute a single instrument.

8.2 Notices. All notices, certificates and other communications hereunder shall be in writing and shall be sufficiently given and shall be deemed given when delivered and, if delivered by mail, shall be sent by certified mail, postage prepaid, or to a nationally recognized courier such as Federal Express, addressed as follows:

***To the Agency:***

Seneca County Industrial Development Agency  
1 DiPronio Drive  
Waterloo, New York 13165  
Attn: Executive Director

***And to:***

The Halpin Firm  
4588 Route 224  
Montour Falls, New York 14865  
Attn: Robert L. Halpin, Esq.

***To the Company:***

Seneca Dairy Systems LLC  
3236 Hoster Road  
Seneca Falls, New York 13148

*And to:*

Phillips Lytle LLP  
One Canalside  
125 Main Street  
Buffalo, New York 14203  
Attn: Kimberly R. Nasson, Esq.

or at such other address as any party may from time to time furnish to the other party by notice given in accordance with the provisions of this Section. All notices shall be deemed given when mailed or personally delivered in the manner provided in this Section. Any notice hereunder may be given by counsel for a party with the same force and effect as if given by such party.

8.3 Governing Laws. This Agreement shall be governed by, and all matters in connection herewith shall be construed and enforced in accordance with, the laws of the State of New York applicable to agreements executed and to be wholly performed therein and the parties hereto hereby agree to submit to the personal jurisdiction of the federal or state courts located in Seneca County, New York.

8.4 Non-Recourse to Agency. Notwithstanding any other term or condition contained herein, all obligations of the Agency hereunder shall constitute a special obligation payable solely from the revenues and other monies, if any, derived from the Facility and paid to the Agency by the Company. Neither member of the Agency nor any person executing this Agreement on its behalf shall be liable personally under this Agreement. No recourse shall be had for the payment of the principal or interest on amounts due hereunder or for any claim based upon or in respect of any modification of or supplement hereto against any past, present or future member, officer, agent, servant, or employee, as such, of the Agency, or of any successor or political subdivision, either directly or through the Agency or any such successor, all such liability of such members, officer, agents, servants and employees being, to the extent permitted by law, expressly waived and released by the acceptance hereof and as part of the consideration for the execution of this Agreement.

8.5 Incorporation of Benefit Recapture Agreement. This Agreement is subject to the terms of the Benefit Recapture Agreement, which is incorporated herein by reference.

SENECA COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY

By: Robert A. Aronson  
Name: Robert Aronson  
Title: Executive Director

SENECA DAIRY SYSTEMS LLC

By: \_\_\_\_\_  
Name: Earl Martin  
Title: Managing Member

SENECA COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY

By: \_\_\_\_\_  
Name: Robert Aronson  
Title: Executive Director

SENECA DAIRY SYSTEMS LLC

By:   
Name: Earl Martin  
Title: Managing Member

**SCHEDULE A**

PAYMENT IN LIEU OF TAX AGREEMENT DATED AS OF MAY 4<sup>th</sup>, 2020  
BY AND BETWEEN SENECA COUNTY INDUSTRIAL DEVELOPMENT AGENCY AND  
SENECA DAIRY SYSTEMS LLC

It is recognized and agreed by the Agency and the Company that the Company contemplates constructing the Facility in three phases (“Phase 1,” “Phase 2,” and “Phase 3”). A general description of each of Phase 1, Phase 2 and Phase 3 is provided below. While the term of this PILOT Agreement is twenty (20) years, the period of partial exemption for each of Phase 1, Phase 2 and Phase 3 is twelve (12) years. The calculation of the amount to be paid by the Company under this PILOT Agreement during each year of the twelve-year partial exemption period applicable to each of Phase 1, Phase 2, and Phase 3, and thereafter for the balance of the term of this PILOT Agreement, is set forth below.

Pursuant to the terms of Section 1.1 of this PILOT Agreement, “Tax Payments” shall mean, for each year of this PILOT Agreement, an amount per annum equal to the sum of the Phase 1 Amount (as herein defined), if any, plus the Phase 2 Amount (as herein defined), if any, plus the Phase 3 Amount (as herein defined), if any.

**Phase 1**

Phase 1 shall generally consist of the construction of a modern galvanizing plant of about 56,000 sq. ft. in size.. The “Phase 1 Amount” shall mean, for each of the periods set forth below, the amount in the column labeled “Phase 1 Amount.”

PILOT Year	Town and County Tax Year	School Tax Year	Phase 1 Amount
1	2022	2021-22	\$5,399
2	2023	2022-23	\$5,399
3	2024	2023-24	\$5,399
4	2025	2024-25	\$5,399
5	2026	2025-26	\$5,399
6	2027	2026-27	\$10,798
7	2028	2027-28	\$16,198
8	2029	2028-29	\$21,597
9	2030	2029-30	\$26,996
10	2031	2030-31	\$32,395
11	2032	2031-32	\$37,795
12	2033	2032-33	\$43,194

For years 13 through 20 of this PILOT Agreement (and the corresponding town, county and school tax years), the Phase 1 Amount shall be \$53,992.



**Phase 2**

Phase 2 shall generally consist of approximately 90,000 sq. ft. of additional manufacturing and warehousing space. No later than sixty (60) days prior to commencement of construction of Phase 2, the Company shall provide the Agency with an estimate of the hard construction costs for Phase 2, certified by the Company as true, correct and complete (the "Phase 2 Construction Costs"). The Agency shall then calculate (as hereinafter provided) the Phase 2 Amount based on the Phase 2 Construction Costs, and the Phase 2 Amount shall be applicable for every year of this PILOT Agreement following the Company's submission to the Agency of the Phase 2 Construction Costs.

The Phase 2 Amount shall mean an amount equal to the Phase 2 Construction Costs, multiplied by (i) .60, multiplied by (ii) the figure in the "Taxable Percentage" column below, multiplied by (iii) the then applicable combined county, town and school district tax rate (expressed as a ratio of the amount of ad valorem taxes levied per \$1,000 of assessed value) (the "Tax Rate") as of the date of the Agency's calculation of the Phase 2 Amount.

Year of Partial Exemption Period	PILOT Year	Town and County Tax Year	School Tax Year	Taxable Percentage
1	TBD	TBD	TBD	10%
2	TBD	TBD	TBD	10%
3	TBD	TBD	TBD	10%
4	TBD	TBD	TBD	10%
5	TBD	TBD	TBD	10%
6	TBD	TBD	TBD	20%
7	TBD	TBD	TBD	30%
8	TBD	TBD	TBD	40%
9	TBD	TBD	TBD	50%
10	TBD	TBD	TBD	60%
11	TBD	TBD	TBD	70%
12	TBD	TBD	TBD	80%

For every year of the balance of the term of this PILOT Agreement after year 12 of the partial exemption period (if any), the Phase 2 Amount shall mean an amount equal to the Phase 2 Construction Costs, multiplied by (i) .60, multiplied by (ii) the Tax Rate as of the date of the Agency's calculation of the Phase 2 Amount.

**Phase 3**

Phase 3 shall generally consist of additional 30,000 sq ft. of manufacturing space and the completion of warehousing space which is currently expected to total 47,000 sq. ft.. No later than sixty (60) days prior to commencement of construction of Phase 3, the Company shall provide the Agency with an estimate of the hard construction costs for Phase 3, certified by the Company as true, correct and complete (the "Phase 3 Construction Costs"). The Agency shall then calculate (as hereinafter provided) the Phase 3 Amount based on the Phase 3 Construction

Costs, and the Phase 3 Amount shall be applicable for every year of this PILOT Agreement following the Company's submission to the Agency of the Phase 3 Construction Costs. The Phase 3 Amount shall mean an amount equal to the Phase 3 Construction Costs, multiplied by (i) .60, multiplied by (ii) the figure in the "Taxable Percentage" column below, multiplied by (iii) the Tax Rate as of the date of the Agency's calculation of the Phase 3 Amount.

Year of Partial Exemption	PILOT Year	Town and County Tax Year	School Tax Year	Taxable Percentage
1	TBD	TBD	TBD	10%
2	TBD	TBD	TBD	10%
3	TBD	TBD	TBD	10%
4	TBD	TBD	TBD	10%
5	TBD	TBD	TBD	10%
6	TBD	TBD	TBD	20%
7	TBD	TBD	TBD	30%
8	TBD	TBD	TBD	40%
9	TBD	TBD	TBD	50%
10	TBD	TBD	TBD	60%
11	TBD	TBD	TBD	70%
12	TBD	TBD	TBD	80%

For every year of the balance of the term of this PILOT Agreement after year 12 of the partial exemption period (if any), the Phase 3 Amount shall mean an amount equal to the Phase 3 Construction Costs, multiplied by (i) .60, multiplied by (ii) the Tax Rate as of the date of the Agency's calculation of the Phase 3 Amount.

**Anything herein to the contrary notwithstanding, in no event shall the term of this PILOT Agreement extend past December 31, 2041, as set forth in Section 1.3.**

The following example is provided for informational purposes only to demonstrate the application of the formulas set forth above for calculating the Phase 2 Amount and the Phase 3 Amount.

Assumptions

Phase \_\_\_ Construction Costs: 2,900,000  
 Tax Rate:  
 31.03  
 Phase \_\_\_ Value: 1,740,000 (2,900,000 @ 60%)

Year	Phase ___ Value		Tax Rate (\$/\$1,000 assessed value)		PILOT Exemption Percentage		PILOT Payment
Year 1	1,740,000	x	31.03	x	0.10	=	\$5,399
Year 2	1,740,000	x	31.03	x	0.10	=	\$5,399
Year 3	1,740,000	x	31.03	x	0.10	=	\$5,399
Year 4	1,740,000	x	31.03	x	0.10	=	\$5,399
Year 5	1,740,000	x	31.03	x	0.10	=	\$5,399
Year 6	1,740,000	x	31.03	x	0.20	=	\$10,798
Year 7	1,740,000	x	31.03	x	0.30	=	\$16,198
Year 8	1,740,000	x	31.03	x	0.40	=	\$21,597
Year 9	1,740,000	x	31.03	x	0.50	=	\$26,996
Year 10	1,740,000	x	31.03	x	0.60	=	\$32,395
Year 11	1,740,000	x	31.03	x	0.70	=	\$37,795
Year 12	1,740,000	x	31.03	x	0.80	=	\$43,194



NYS DEPARTMENT OF TAXATION & FINANCE  
OFFICE OF REAL PROPERTY TAX SERVICES

RP-412-a (1/95)

INDUSTRIAL DEVELOPMENT AGENCIES  
APPLICATION FOR REAL PROPERTY TAX EXEMPTION  
(Real Property Tax Law, Section 412-a and General Municipal Law, Section 874)

1. INDUSTRIAL DEVELOPMENT AGENCY (IDA)

Name Seneca County IDA  
Street 1 DiPrion Drive  
City Waterloo NY 13165  
Telephone no. Day (315) 539-1725  
Evening ( ) \_\_\_\_\_  
Contact Patricia Jones  
Title Deputy Executive Director

2. OCCUPANT (IF OTHER THAN IDA)

(If more than one occupant attach separate listing)

Name Seneca Dairy Systems LLC  
Street 3236 Hoster Road  
City Seneca Falls, NY 13148  
Telephone no. Day ( 315) 712-0118  
Evening ( ) \_\_\_\_\_  
Contact Earl Martin  
Title Member

3. DESCRIPTION OF PARCEL

a. Assessment roll description (tax map no./roll year)  
Part of 11-1-02  
b. Street address Route 96  
c. City, Town or Village Romulus

d. School District Romulus  
e. County Seneca  
f. Current assessment 305,371  
g. Deed to IDA (date recorded; liber and page)  
Memo of Lease to be recorded

4. GENERAL DESCRIPTION OF PROPERTY (if necessary, attach plans or specifications)

a. Brief description (include property use) Manufacturing & warehouse facilities to manufacture agricultural equipment.  
b. Type of construction \_\_\_\_\_  
c. Square footage 223000  
d. Total cost 10000000  
e. Date construction commenced TBD  
f. Projected expiration of exemption (i.e. date when property is no longer possessed, controlled, supervised or under the jurisdiction of IDA)  
12-31-2041

5. SUMMARIZE AGREEMENT (IF ANY) AND METHOD TO BE USED FOR PAYMENTS TO BE MADE TO MUNICIPALITY REGARDLESS OF STATUTORY EXEMPTION

(Attach copy of the agreement or extract of the terms relating to the project).

a. Formula for payment See attached  
\_\_\_\_\_  
\_\_\_\_\_

b. Projected expiration date of agreement December 31, 2041

c. Municipal corporations to which payments will be made

	Yes	No
County <u>Seneca</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Town/City <u>Romulus</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Village _____	<input type="checkbox"/>	<input checked="" type="checkbox"/>
School District <u>Romulus</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

d. Person or entity responsible for payment

Name Earl Martin  
 Title Member  
 Address 3236 Hoster Road  
Seneca Falls, NY 13148

e. Is the IDA the owner of the property?  Yes  No (check one)

If "No" identify owner and explain IDA rights or interest in an attached statement.

Telephone 315-712-0118

6. Is the property receiving or has the property ever received any other exemption from real property taxation? (check one)  Yes  No

If yes, list the statutory exemption reference and assessment roll year on which granted: exemption \_\_\_\_\_ assessment roll year \_\_\_\_\_

7. A copy of this application, including all attachments, has been mailed or delivered on \_\_\_\_\_ (date) to the chief executive official of each municipality within which the project is located as indicated in Item 3.

**CERTIFICATION**

I, Patricia Jones, Deputy Director of  
 Name Title  
Seneca County Industrial Development Agency hereby certify that the information  
 Organization  
 on this application and accompanying papers constitutes a true statement of facts.

04-14-2020  
Date

Patricia Jones  
Signature

**FOR USE BY ASSESSOR**

1. Date application filed \_\_\_\_\_
2. Applicable taxable status date \_\_\_\_\_
- 3a. Agreement (or extract) date \_\_\_\_\_
- 3b. Projected exemption expiration (year) \_\_\_\_\_
4. Assessed valuation of parcel in first year of exemption \$ \_\_\_\_\_
5. Special assessments and special as valorem levies for which the parcel is liable:  
 \_\_\_\_\_  
 \_\_\_\_\_

\_\_\_\_\_  
Date

\_\_\_\_\_  
Assessor's signature