

Transcript Document No. []

**Supplemental Resolution
EDGE Flex Space Facility at Marcy
Nanocenter**

Date: March 26, 2024

At a meeting of the Oneida County Industrial Development Agency (the "Agency") held at 584 Phoenix Drive, Rome, New York 13441 on March 26, 2024, the following members of the Agency were:

Members Present: Steve Zogby, David Grow, James Genovese, Aricca Lewis, Tim Reed.

Members Present Virtually: Franca Armstrong

EDGE Staff Present: Shawna Papale, Laura Cohen, Tim Fitzgerald, Bill Van Shufflin, Maureen Carney, Christian Mercurio.

EDGE Staff Present Virtually: Mark Kaucher

Others Present: Jenna Peppenelli, Levitt & Gordon.

Others Present Webex: Laura Ruberto and Linda Romano, Bond, Schoeneck & King; Gregg Evans and Erica Pawlewicz, Bonadio & Co., LLP; Paul Goldman, Goldman Attorneys PLLC.

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action to (a) accept an amendment to the Application for Financial Assistance and (b) clarifying certain conditions of financial assistance pertaining to proposed financial assistance to Economic Development Growth Enterprises Corporation (Flex Space Facility at Marcy Nanocenter).

The following resolution was duly moved, seconded, discussed and adopted with the following members voting:

Voting Aye

Voting Nay

Steve Zogby
David Grow
Franca Armstrong
James Genovese
Aricca Lewis
Tim Reed

RESOLUTION ACCEPTING AN AMENDMENT TO THE APPLICATION FOR FINANCIAL ASSISTANCE AND CLARIFYING CERTAIN CONDITIONS OF FINANCIAL ASSISTANCE WITH RESPECT TO THE ECONOMIC DEVELOPMENT GROWTH ENTERPRISES CORPORATION (FLEX SPACE AT MARCY NANOCENTER) FACILITY LOCATED IN THE TOWN OF MARCY, ONEIDA COUNTY.

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended and Chapter 372 of the Laws of 1970 of the State of New York (collectively, the "Act"), the Agency was created with the authority and power among other things, to assist with the acquisition of certain industrial development projects as authorized by the Act; and

WHEREAS, Economic Development Growth Enterprises Corporation, on behalf of itself and its principals (collectively, the "Company" and sometimes referred to as "EDGE"), or an entity to be formed on behalf of any of the foregoing has applied to the Agency to enter into a transaction in which the Agency will assist in construction of a 60,281± square foot single story Flex Space building including loading docks and all utilities and infrastructure to support the same (collectively, the "Improvements") on a 17± acre portion of a parcel of land situate at 2049 Wafer Loop Road in the Town of Marcy, Oneida County, New York (the "Land"); and acquisition and installation of furniture, fixtures and equipment in the Improvements (the "Equipment"), to provide adaptable logistics/warehousing space for supply chain companies for the purpose of supporting the semiconductor and advanced electronics industry and in furtherance of the master plan for the Marcy Nanocenter site (the Land, the Improvements and the Equipment is referred to collectively as the "Facility" and the construction and equipping of the Improvements is referred to as the "Project"); and

WHEREAS, the Agency will acquire a leasehold interest in the Facility pursuant to a Lease Agreement from the Company to the Agency (the "Lease Agreement") and lease the Facility back to the Company pursuant to a Leaseback Agreement from the Agency to the Company (the "Leaseback Agreement"); and

WHEREAS, the Company will further sublease 40,705± square feet of the Facility to Danfoss Silicon Power LLC (the "Danfoss Sublessee") for its operation, to support the continued growth of the Danfoss Sublessee at the Quad C facility at SUNY Poly (the "Quad C Facility") pursuant to a Sublease Agreement between the Company and the Danfoss Sublessee (the "Danfoss Sublease Agreement"), the terms of which provide for up to a 20 year sublease term and gives the Danfoss Sublessee the option to terminate early under certain conditions; and

WHEREAS, the Company intends to further sublease the remaining leasable square feet of the Facility to another user or users (which may include the Danfoss Sublessee) relating to growing a regional ecosystem for the semiconductor and advanced electronic industry (the Danfoss Sublessee and any other user or users are

referred to collectively as the “Sublessees” and any one is referred to as a “Sublessee”); and

WHEREAS, the Agency by resolution duly adopted on December 8, 2023 as supplemented on February 9, 2024 (collectively, the “Inducement Resolution”) decided to proceed under the provisions of the Act to lease the Facility and directed that public hearings be held and enter into the Lease Agreement and Leaseback Agreement; and

WHEREAS, the Agency by resolution duly adopted on March 6, 2024 (the “Authorizing Resolution”) authorized financial assistance in the form of exemptions from mortgage recording taxes and exemptions from sales and use taxes on materials and/or the Equipment used or incorporated in the Facility and made provision for payments-in-lieu-of-taxes (the “PILOT Payments”) by the Company and/or the Sublessees to the Agency pursuant to a Payment-In-Lieu-of-Tax Agreement (the “PILOT Agreement”), which PILOT Payments are to be allocated by the Agency in accordance with the terms of an Agreement Approving PILOT Terms and Allocating PILOT Payments dated as of October 1, 2013 by and among the County of Oneida, Whitesboro Central School District, the Town of Marcy, Maynard Fire District, Dunham Public Library (each an “Affected Tax Jurisdiction” and collectively, the “Affected Tax Jurisdictions”), the Agency and EDGE (the “Allocation Agreement”); and

WHEREAS, the Company represented in its Application for Financial Assistance (the “Application”) that it will create and retain (or cause the Danfoss Sublessee to create and retain) the following full time equivalent (“FTE”) positions: (a) create 51 FTEs between the Facility and the Quad C Facility prior to the commencement of the third lease year and maintain all for the term of the Danfoss Sublease Agreement; and (b) retain 295 FTEs between the Facility and the Quad C Facility for the term of the Danfoss Sublease Agreement, all as a result of the Company undertaking the Project (the “Employment Obligation”); and

WHEREAS, the Company submitted to the Agency an amendment to the Application (the “Amended Application Materials”) in which the Company provided the following supplemental information relating to the Project:

- (1) The primary purpose of the Project is to provide an ancillary facility with flexible utility, which will enhance the ecosystem of the Marcy Nanocenter by allowing existing technology companies in Oneida County to operate more efficiently and to attracting new technology companies to the Marcy Nanocenter and to Oneida County; and
- (2) The nature of the Facility is such that it is not intended for any one Sublessee to create permanent employment at the Facility, but rather to allow a Sublessee to operate more efficiently in other locations and provide an opportunity to expand to other locations in Oneida County and therefore the measure of employment should be expanded to include any facility that a Sublessee operates in Oneida County, whether existing or a future expansion; and

- (3) Due to the change in the initial intended use of the Facility by the Danfoss Sublessee that was previously disclosed to the Agency, the Company represented that it will create and retain (or cause the Danfoss Sublessee to create and retain) the following full time equivalent ("FTE") positions: (a) create 20 FTEs between the Facility, the Quad C Facility and any other facility in Oneida County that the Danfoss Sublessee may wish to expand in the future (collectively, the "Danfoss Facilities") prior to the commencement of the third lease year and maintain all for the term of the Danfoss Sublease Agreement; and (b) retain 280 FTEs at the Danfoss Facilities for the term of the Danfoss Sublease Agreement, all as a result of the Company undertaking the Project (the "Revised Employment Obligation"); and
- (4) Due to the nature of the Facility it is possible that the Facility may not be occupied at all from time to time and therefore the creation and/or retention of FTEs should not be the only metric that the Agency should consider as it reviews on an annual basis whether the Project is meeting its stated goals; and

WHEREAS, the Agency has prepared and the members have reviewed a revised cost-benefit analysis relating to the Revised Employment Obligation.

NOW, THEREFORE, BE IT RESOLVED by the Oneida County Industrial Development Agency (a majority of the members thereof affirmatively concurring) as follows:

Section 1. The Agency hereby finds and determines:

- (a) The Amended Application Materials are accepted as part of the Application; and
- (b) The Revised Employment Obligation is accepted and serves as a condition of financial assistance relating only to the sales tax exemption, which is for the benefit of the Danfoss Sublessee; and
- (c) To determine whether the Project is meeting the stated goal of providing an ancillary facility with flexible utility to enhance the ecosystem of the Marcy Nanocenter, it is proper for the Agency to consider factors other than the creation and/or retention of employment and shall also take into consideration whether the Project has been constructed and is being operated substantially as presented to the Agency in the Application (the "Project Obligation").

Section 2.

- (a) In consequence of the foregoing, the Agency hereby determines to: (i) accept the Amended Application Materials, (ii) accept the Revised Employment Obligation as a condition of financial assistance relating to the Danfoss sales tax

exemption, (iii) use the Project Obligation as a continuing metric to determine whether the Project is meeting its stated goals and (iv) amend the Inducement Agreement and Project Agreement to reflect these revised terms.

Section 3. This resolution shall take effect immediately.

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

I, the undersigned Secretary of the Oneida County Industrial Development Agency (the "Agency"), DO HEREBY CERTIFY:

That I have compared the annexed extract of the minutes of the meeting of the Agency, including the resolutions contained therein, held on March 26, 2024 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 resolutions 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 (i) all members of the Agency had due notice of said meeting, (ii) pursuant to Sections 103a and 104 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public and public notice of the time and place of said meeting was duly given in accordance with such Sections, (iii) the meeting in all respects was duly held, and (iv) there was a quorum present throughout.

IN WITNESS WHEREOF, I have hereunto set my hand as of _____, 2024.

ONEIDA COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

By: _____
Shawna M. Papale, Secretary