

Anthony J. Picente Jr.
County Executive

Shawna M. Papale
Secretary/ Treasurer/
Executive Director

Timothy Fitzgerald
Assistant Secretary

ONEIDA COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

OCIDA



584 Phoenix Drive
Rome, New York 13441-4105
(315) 338-0393, fax (315) 338-5694

David C. Grow
Chairman
Michael Fitzgerald
Vice Chairman

Ferris Betrus Jr.
Kirk Hinman
Mary Faith Messenger
Eugene Quadraro
Stephen Zogby

To: Oneida County Industrial Development Agency Board of Directors
From: Shawna M. Papale
Date: February 6, 2023
RE: OCIDA Meeting Agenda

The Oneida County Industrial Development Agency shall meet – **8:00 AM Friday February 10, 2023.**

Members of the public may listen to the Agency meeting by calling +1-408-418-9388, Access code: 2634 989 3791, join via Webex at this link:

<https://mvedge.webex.com/mvedge/j.php?MTID=m11787f8d24a065b29670c22b6e7a43e4> or attend in person. The Minutes of the Agency meeting will transcribed and posted on the OCIDA website.

1. Executive Session if needed
2. Minutes – 12/8/22, 1/3/23, 1/9/23
3. Financials
4. Consider a resolution relating to the **Alder Creek Beverages, LLC** Facility, consenting to a change of control of the Company and authorizing the form and execution of related documents, subject to counsel review.
5. Consider an inducement resolution relating to the **Kris-Tech Wire Co., Inc.** Facility (2023 Expansion Project), granting preliminary approval for financial assistance (consistent with the Agency's Uniform Tax Exemption Policy) in the form of exemptions from sales tax (not to exceed \$420,000), exemptions from mortgage recording tax (not to exceed \$63,750) and reduction of real property tax on the increased assessment resulting from the Project for a period of 10 years (estimated at \$1,437,672), subject to completion of a SEQR review, and authorizing the Agency to conduct a public hearing.
6. New Business
7. Old Business
 - a) IDA Website
8. Current Projects

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Next meeting date – **TUESDAY, MARCH 28** at 8 AM at 584 Phoenix Drive, Rome, NY

DRAFT

**Minutes of the Meeting of the
Oneida County Industrial Development Agency
December 8, 2022
584 Phoenix Drive, Rome, NY/Webex Video/Teleconference**

Members Present: David Grow, Michael Fitzgerald, Steve Zogby, Kirk Hinman, Gene Quadraro, Mary Faith Messenger.

Members Present: WebEx: Ferris Betrus.

EDGE Staff Present: Shawna Papale, Bill Van Shufflin, Tim Fitzgerald, Steve DiMeo, Laura Cohen.

EDGE Staff Present: WebEx: Maureen Carney.

Other Attendees: Rome Mayor Jackie Izzo

Other Attendees: WebEx: Paul Goldman, Goldman Attorneys PLLC; Linda Romano & Laura Ruberto, Bond, Schoeneck & King; Karen Hawkins, Fogel & Brown, P.C.; Genevieve Trigg & Paige Beyer, Barclay-Damon; Alexis Manore, Sentinel Media Co.

Chair Grow called the meeting to order at 3:16 PM.

Minutes

The November 18, 2022 meeting minutes were reviewed. **A motion to approve the November 18, 2022 minutes, as corrected, was moved by M. Fitzgerald and seconded by M.F. Messenger. The motion carried 7-0.**

Interim Financials

M. Carney presented the 11/30/2022 interim financial statement. Cash is up around \$177,000 over the past twelve months. Regarding restricted cash, all Hampton Inn PILOT payments have been received, and checks will be distributed to the taxing jurisdictions imminently. The fourth quarter Wolfsped PILOT payment shows up as an account receivable, but so that it does not overstate the Agency's assets, there is a contra-account booked against it. D. Grow asked if the effected taxing jurisdictions for The Hartford PILOT Increment Financing agreement (PIF) have verified this year's debt service payment to the Agency. L. Ruberto explained that the Agency has prepared letters to the Town of New Hartford concerning both the Hampton in PIF agreement and The Hartford PIF agreement. The Hampton Inn PILOT is terminating at the end of December 2022; counsel has determined that the company has fulfilled all of its PILOT agreement obligations, and the Agency is asking the Town to certify that its debt service has been completed. But the answer from the Town does not impact the company's PILOT agreement obligations. It is necessary that the company fulfill all of its obligations so that it can terminate its agreement with the Agency early, in order to facilitate its sale. The Hartford PILOT agreement terminates after 2023. M. Carney further shared that Lithia Motors has not made its 2022 lease payment to the Agency, and that the Agency closed on the Horsht, LLC project, which brings annual admin fees for 2022 to approximately \$280,000. There are still some outstanding projects that may close in 2022. Regarding the Sovena PILOT, the school tax bill was just received, which will be sent to Sovena immediately. Sovena will have 30 days to pay it. She is hopeful the Agency will receive it by the end of 2022. M. Fitzgerald stated that the Agency needs to start looking at putting some of its cash into a certificate of deposit. M. Carney stated that she has already begun looking at rates across area banks. There being no questions or comments, the **Agency received and accepted the interim financials presented, subject to audit.**

EDGE Project Related Debt (Wolfsped Facility)

Chair Grow introduced a resolution approving the modification of EDGE Project Related Debt (Wolfsped Facility) and authorizing the form and execution of related documents, subject to counsel review. This has to do with finalizing the permanency of the debt previously authorized by the Agency for Marcy Nanocenter infrastructure improvements. **S. Zogby motioned, and F. Betrus seconded, to approve the modification of EDGE Project Related Debt (Wolfsped Facility) and authorizing the form and execution of related documents, subject to counsel review.. The motion carried 7-0.**

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LT Group, LLC (Hampton Inn) Facility - Early Termination

Chair Grow introduced a resolution authorizing the early termination of the LT Group, LLC (Hampton Inn) facility. The lease term expires December 31, 2022 and the Company submitted a certification that its obligations under the Leaseback Agreement have been satisfied. **M. Fitzgerald motioned, and M.F. Messenger seconded, to authorize the early termination of the LT Group, LLC (Hampton Inn) facility. The motion carried 7-0.**

Central Utica Building, LLC Facility – Amended Application for Financial Assistance

Chair Grow introduced a supplemental resolution relating to the Central Utica Building, LLC Facility, accepting an amendment to the Application for Financial Assistance and authorizing an increase in the value of mortgage recording tax exemption (from \$128,138 to \$191,250, a difference of \$63,112). A public hearing is not required since the proposed increase in assistance is less than \$100,000. **M. Fitzgerald motioned, and D. Grow seconded, to authorize an increase in the value of mortgage recording tax exemption (from \$128,138 to \$191,250, a difference of \$63,112) to the Central Utica Building, LLC Facility. The motion carried 7-0.**

2023 EDGE-OCIDA Staff Service Contract

S. Papale presented for consideration the proposed 2023 EDGE-OCIDA Staff Service Contract. The contract amount is \$176,400 and the scope of service remains the same. D. Grow suggested modifying the contract to make it renewable annually, with amendments that adjust dates of service and fee amounts. The members of the Corporation were in consensus to implement this modification. **A motion to approve the proposed EDGE-OCIDA Staff Service Contract, with the modification to make the contract to make it renewable annually, with amendments that adjust dates of service and fee amounts was moved by F. Betrus and seconded by M.F. Messenger. The motion carried 7-0.**

2023 EDGE-OCIDA Supplemental Staff Service Contract

S. Papale presented for consideration the proposed 2023 EDGE-OCIDA Supplemental Staff Service Contract. The contract amount is \$125,000 and the scope of service remains the same. Chair Grow reminded the members that this contract is specific to retaining human resources for large development initiatives occurring in Oneida County. D. Grow suggested modifying the contract to make it renewable annually, with amendments that adjust dates of service and fee amounts. The members of the Corporation were in consensus to implement this modification. **A motion to approve the proposed EDGE-OCIDA Staff Service Contract, with the modification to make the contract to make it renewable annually, with amendments that adjust dates of service and fee amounts was moved by S. Zogby and seconded by K. Hinman. The motion carried 7-0.**

Old Business

SG Oneida PV, LLC

S. Papale presented to the Agency a request from SG Oneida PV, LLC to extend the deadline of its Inducement Agreement for a period of twelve months under the same terms and conditions as originally approved. She reminded Agency members that this project was induced last December, and that projects have 12 months to proceed with their project, from time of inducement. M. Fitzgerald stated that if this project is looking to start over, that it should be under the Agency's new solar policy. G. Trigg explained the circumstances that have led to the delay in this project moving forward, including supply chain issues on solar panels, and difficulty in obtaining the required insurance. Chair Grow opined that while an official request has been made by the applicant, as is allowed under the inducement agreement, the Agency is under no obligation to grant that request. L. Romano confirmed that the Agency is not obligated to grant the extension. **M. Fitzgerald made a motion to extend the inducement agreement for SG Oneida PV, LLC until March 31st but if the closing occurs after January 1st, 2023, the new benefit per megawatt would be \$7,500 instead of the originally induced \$5,500. This splits the difference between the rate under the old policy and the rate under the current policy. K. Hinman seconded the motion. The motion carried 7-0.**

Chair Grow stated that the SSC Kirkland project would be subject to a similar arrangement if it cannot meet the original inducement agreement deadline.

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There being no further business, at 3:55 PM Chair Grow asked for a motion to adjourn the meeting: M. Fitzgerald moved, and F. Betrus seconded the motion to adjourn. Motion carried 7-0.

Chair Grow reopened the meeting at 4:10.

At 4:10 PM a motion to enter executive session in order to discuss potential contracts was made by M. Fitzgerald, seconded by M.F. Messenger, and carried 7-0.

At 5:15 PM a motion to exit executive session and return to the open meeting was moved by F. Betrus, seconded by E. Quadraro, and carried 7-0.

There being no further business, at 5:15 PM Chair Grow asked for a motion to adjourn the meeting: M. Fitzgerald moved, and F. Betrus seconded the motion to adjourn. Motion carried 7-0.

Respectfully Submitted,

Tim Fitzgerald

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**Minutes of the Meeting of the
Oneida County Industrial Development Agency
January 3, 2022
584 Phoenix Drive, Rome, NY/Webex Video/Teleconference**

Members Present: David Grow, Michael Fitzgerald, Steve Zogby, Kirk Hinman.

Members Present: WebEx: Ferris Betrus, Gene Quadraro.

Members Present: Call-in: Mary Faith Messenger

EDGE Staff Present: Tim Fitzgerald, Laura Cohen

EDGE Staff Present: WebEx: Shawna Papale, Bill Van Shufflin, Mark Kaucher

Other Attendees: Mark Levitt, Levitt & Gordon; Rome Mayor Jackie Izzo; Oneida County Executive Anthony Picente; Oneida County Attorney Peter Rayhill

Other Attendees: WebEx: Paul Goldman, Goldman Attorneys PLLC; Linda Romano & Laura Ruberto, Bond, Schoeneck & King; Bruce Smith, CNY Cardiology/Central Utica Building, LLC; Kevin Bernstein, Mohawk Valley Health System

Chair Grow called the meeting to order at 8:08 AM.

At 8:09 AM a motion to enter executive session in order to discuss litigation was made by S. Zogby, seconded by M. Fitzgerald, and carried 6-0.

At 10:10 AM a motion to exit executive session and return to the open meeting was moved by F. Betrus, seconded by M. Fitzgerald, and carried 6-0.

There being no further business, at 10:10 AM Chair Grow asked for a motion to adjourn the meeting: S. Zogby moved, and K. Hinman seconded the motion to adjourn. Motion carried 6-0.

Respectfully Submitted,

Tim Fitzgerald

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DRAFT

Minutes of the Meeting of the
Oneida County Industrial Development Agency
January 3, 2022

584 Phoenix Drive, Rome, NY/Webex Video/Teleconference

Members Present: David Grow, Michael Fitzgerald, Steve Zogby, Kirk Hinman.

Members Present: WebEx: Ferris Betrus, Gene Quadraro, Mary Faith Messenger.

EDGE Staff Present: Laura Cohen

EDGE Staff Present: WebEx: Shawna Papale, Tim Fitzgerald, Mark Kaucher, S. DiMeo, M. Carney

Other Attendees: Mark Levitt & Jenna Peppinelli, Levitt & Gordon; Rome Mayor Jackie Izzo; Oneida County Executive Anthony Picente; Oneida County Attorney Peter Rayhill;

Other Attendees: WebEx: Paul Goldman, Goldman Attorneys PLLC; Bruce Smith and Dave Qirello, CNY Cardiology/Central Utica Building, LLC; Patrick Donnelly, Fogel Law Firm; Ed Harris, Utica Observer-Dispatch

Chair Grow called the meeting to order at 8:02 AM.

At 8:02 AM a motion to enter executive session in order to discuss litigation was made by S. Zogby, seconded by M. Fitzgerald, and carried 7-0.

At 9:05 AM a motion to exit executive session and return to the open meeting was moved by M. Fitzgerald, seconded by F. Betrus, and carried 7-0.

A motion to Authorize Special Counsel to OCIDA to file a motion for leave to reargue and leave to appeal in the Appellate Division Fourth Department and if required a motion for leave to appeal to the Court of Appeals, _____, made by F. Betrus or D. Grow (~~adequate security for cost~~)-seconded by S. Zogby. Grow pointed out that Picente, Izzo were present. No discussion, motion passed 7-0.

Direct executive secretary Make contribution charity identified in Bond counsel's parent's obituary.

There being no further business, at 8:10 AM Chair Grow asked for a motion to adjourn the meeting: S. Zogby moved, and K. Hinman seconded the motion to adjourn. Motion carried 6-0.

Respectfully Submitted,

Tim Fitzgerald

Oneida County Industrial Development Agency
Notes to the Financial Statements
December 31, 2022

Balance Sheet:

1. Cash increased by \$98K over the last 12 months; this is directly due to the increase in net assets
2. The balance in restricted cash is made up of PILOT holdings; per direction from the board, the PILOT holding is being presented on the financial statements under assets instead of under liabilities; this more clearly shows the actual assets of the organization; the dollars currently in the account are related the Sovena PILOT and have been disbursed accordingly
3. The \$1,000 commitment fees collected from the following for projects that have not closed as of December 31:
 1. Source Renewables LLC (received April 2020- Project on Hold- commitment fee will be held and used to pay certain legal bills from BS&K related to the project)
 2. EDF Renewables (former partner in the Quiet Meadows projects) (received November 2021)
 3. Central Utica Building (received November 2021)
 4. Solar Power Capital LLC (received January 2022)
 5. Solitude Solar, LLC (received February 2022)
4. Fund balance increased approximately 22% over the last 12 months

Budget Comparison Report (Income Statement):

1. 2022 annual lease payments have been billed and all have been collected
2. The following are the closings and application fees received from 1/1/22-12/31/22:

1/21/2022	Solar Power Capital LLC	App Fee	500.00
2/7/2022	Solitude Solar, LLC	App Fee	500.00
2/25/2022	Camden Renewables, LLC	Admin Fee	40,231.25
2/25/2022	Camden Renewables, LLC	Commitment Fee	1,000.00
3/16/2022	Fiber Instrument Sales	App Fee	500.00
4/1/2022	B240 LLC	B240 LLC Admin Fee	81,721.00
6/13/2022	McCraith Beverages / STD Realty	Application Fee	500.00
6/30/2022	Pivot Energy, INC	Admin Fee	20,976.00
6/30/2022	Pivot Energy, INC	Commitment Fee	1,000.00
7/15/2022	Indium Corporation Of America	Application Fee	500.00
7/31/2022	Quiet Meadows Solar Farm 2, LLC	Admin Fee	500.00
7/31/2022	Quiet Meadows Solar Farm 2, LLC	Admin Fee	500.00
8/19/2022	Delta Luxury Apartments	Admin & Commitment Fee	49,355.00
10/3/2022	Square One Coating Systems	Admin Fee	500.00
11/28/2022	Indium Corporation Of America	Admin & Commitment Fee	59,250.00
12/6/2022	Fiber Instrument Sales	Admin & Commitment Fee	21,353.00
12/23/2022	McCraith Beverages / STD Realty	Admin & Commitment Fee	18,720.00
12/30/2022	Solar Generation Projects, LLC	Admin & Commitment Fee	41,180.00
Total as of 12/31/22			<u>338,786.25</u>

3. The IDA received a bill from the Madison-Oneida Boces for the tuition agreement to support its carpentry trade program; this agreement was voted for in September 2022; the total amount of support from the IDA for the program is \$7,500

Other Significant Items to Note:

1. The 4th quarter invoice to Wolfspeed was billed and was paid in December; once payment was received the PILOT dollars were then disbursed in accordance with the PILOT agreement
2. The IDA received all payments related to the Hartford PILOT for 2022 and payments to the jurisdictions were made in accordance with the PILOT agreement
3. The payment from Sovena for the 2nd half of the city and school tax bills was received and was paid in accordance with the PILOT agreement

**Oneida County Industrial Development Agency
Balance Sheet
December 31, 2022 and 2021**

	Current Year	Prior Year
Assets		
Current Assets		
Cash and Cash Equivalents	917,983	819,538 ¹
Restricted Cash - PILOT Holdings	161,949	88,256 ²
PILOT Holdings	(161,949)	(88,256) ²
Accounts Receivable	0	7,428
Prepaid Expenses	2,604	1,299
Total Current Assets	920,587	828,265
Fixed Assets		
Furniture/Fixture/Eqpt	6,679	6,679
A/D-Furniture/Fixt/Eqpt	(6,679)	(6,679)
Total Fixed Assets	0	0
Total Assets	920,587	828,265
Liabilities & Net Assets		
Liabilities		
Current Liabilities		
Accounts Payable	8,212	4,492
Accrued Expenses	7,250	7,000
Deferred Revenue	5,000	8,000 ³
Total Current Liabilities	20,462	19,492
Total Liabilities	20,462	19,492
Net Assets		
Fund Balance	500,125	408,773
Fund Balance-Board Restricted	400,000	400,000
Total Net Assets	900,125	808,773 ⁴
Total Liabilities & Net Assets	920,587	828,265

Oneida County Industrial Development Agency
 Budget Comparison Report
 Current Period: 12/1/2022 - 12/31/2022
 Budget Period: 1/1/2022 - 12/31/2022
 With Comparative Periods Ending 12/31/2021 and 12/31/2020

	Current Period Actual	Current Period Budget	Year-to-Date Actual	Year-to-Date Budget	12/31/2021	12/31/2020
Revenue						
Reimbursements	0	0	216	0	0	9,838
Interest Income & Miscellaneous	380	38	1,782	450	539	5,011
Lease Payments	3,500	3,396	55,250 ¹	40,750	53,250	44,750
PILOT Application / Admin Fees	81,253	21,667	338,786 ²	260,000	404,120	921,257
PILOT Clawback MSP	0	0	0	0	65,000	0
Total Revenue	85,133	25,100	396,035	301,200	522,909	980,856
Expenses						
Business Expense	0	0	600	0	607	975
Contracted Service-Accounting	833	583	7,250	7,000	7,000	7,500
Contracted Services - Legal	850	850	10,150	10,150	9,600	9,675
Legal Services & PILOT Clawback MSP	0	0	0	0	60,695	4,305
Contracted Services- Other	1,450	0	4,719	0	8,089	0
Marketing- Contracted Services	0	17	915	200	349	195
Dues & Subscriptions	0	150	1,250	1,800	1,385	1,250
Insurance - General	375	333	4,078	4,000	3,788	3,762
Special ED Projects Contingency	8,333	8,333	100,000	100,000	100,000	799,995
Tuition Agreement	3,563	0	3,563 ³	0	0	0
Office Supplies & Expense	80	267	480	3,200	238	0
Seminars & Conferences	0	250	3,679	3,000	4,021	2,785
Service Fees	14,000	14,000	168,000	168,000	160,000	160,000
Total Expenses	29,484	24,783	304,682	297,350	355,772	990,442
Excess or (Deficiency) of Revenue Over Expenses	55,649	317	91,352	3,850	167,137	(9,586)

**Oneida County Industrial Development Agency
Statement of Cash Flows
For the Period Ending December 31, 2022**

Cash Flows From (Used by) Operating Activities

Increase (Decrease) in Net Assets	\$ 91,352
Adjustments for Noncash Transactions	
Depreciation and Amortization	0
(Increase) Decrease in Assets	
Accounts Receivable	7,428
Prepaid Expenses	(1,305)
Increase (Decrease) in Liabilities	
Accounts Payable and Accrued Liabilities	970
Net Cash Flows From Operating Activities	<u>98,445</u>

Cash Flows From (Used By) Investing Activities

Capital Expenditures	0
Net Cash From (Used by) Investing Activities	<u>0</u>

Cash Flows From (Used By) Financing Activities

Repayments of Long Term Debt	0
Proceeds from Long Term Debt	0
Net Cash Flows (Used by) Financing Activities	<u>0</u>

Net Increase (Decrease) in Cash and Cash Equivalents 98,445

Cash and Cash Equivalents, Beginning of Period 819,538

Cash and Cash Equivalents, End of Period \$ 917,983

Part I: Applicant Information

Note: In responding to the following questions, please keep in mind that the Applicant will be party to all of the documents and is the individual or if entity will be formed which will receive the actual financial assistance from the Agency.

Applicant

1(a) Applicant's Legal Name: _____

1(b) Principal Address: _____

1(c) Telephone/Facsimile Numbers: _____

1(d) Email Address: _____

1(e) Federal Identification Number: _____

1(f) Contact Person: _____

1(g) Is the Applicant a Corporation:
If Yes, Public Private
If public, on which exchange is it listed?

- Subchapter S
- Sole Proprietorship
- General Partnership
- Limited Partnership
- Limited Liability Corporation/Partnership
- Single-Member LLC (name and EIN below):

Name: _____

EIN #: _____

- DISC _____
- Other(specify) _____

1(h) State of Organization (if applicable) _____

Applicant's Stockholders, Members, Directors and Officers, Partners.

2(a) Provide the following information with respect to any person with 15% or more in equity holdings in any entity in ownership chain of the project. Add additional sheets if necessary.

<u>Name</u>	<u>Address</u>	<u>Percentage of Ownership</u>
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2(b) Is the Applicant, or any of the individuals listed in 2(a) above, related directly or indirectly to any other entity by more than 50% common ownership? **If Yes**, indicate name of such entity and the relationship. Yes No

2(c) Is the Applicant affiliated with any other entity, directly or indirectly, other than as listed in the response to 2(a) above? **If Yes**, please indicate name and relationship of such other entity and the address thereof: Yes No

Applicant's Counsel and Accountant

3(a) Applicant's Attorney

Name/Title: _____

Firm: _____

Address: _____

Telephone/Fax: _____

Email: _____

3(b) Applicant's Accountant

Name/Title: _____

Firm: _____

Address: _____

Telephone/Fax: _____

Email: _____

Business Description

4(a) Describe the nature of your business and principal products and/or services. Attach additional sheets if necessary.

fact and do not omit to state a material fact necessary to make the statements contained herein not misleading.

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

Cathy Bergman, being first duly sworn, deposes and says:

1. That I am the Secretary (Corporate Office) of Nirvana Water Sciences Corp. (Applicant) and that I am duly authorized on behalf of the Applicant to bind the Applicant.
2. That I have read the attached Application, I know the contents thereof, and that to the best of my knowledge and belief, this Application and the contents of this Application are true, accurate and complete.

Cathy Bergman
(Signature of Officer)

Subscribed and affirmed to me under penalties of perjury
this 25 day of January, 2023

Carmen Lanza
(Notary Public)

CARMEN LANZA
Notary Public, State of New York
No. 01LA6118887
Qualified in Westchester County
Commission expires March 30, 2026

If the application has been completed by or in part by other than the person signing this application for the applicant please indicate who and in what capacity:

By: _____

Name: _____

Title: _____

Date: _____

Please submit the signed and notarized completed application along with payment of a non-refundable **\$500 Application Fee** and a **\$1,000 Commitment Fee** (will be applied to final closing costs) to the **Oneida County Industrial Development Agency**, 584 Phoenix Drive, Rome NY 13441-1405, **within 14 days prior to the OCIDA Board of Directors meeting at which you want the Application to be included on the Agenda**. Wire transfer and ACH payments are acceptable but all related fees incurred by the Agency are payable by the Applicant. It is advised that an electronic version of the application accompany the original application via hard copy or e-mail. An electronic version of the application must accompany the original application via physical media or e-mail.

**Authorizing Resolution
Consent to Change of Control
Alder Creek Beverages, LLC Facility**

Date: February 10, 2023

At a meeting of the Oneida County Industrial Development Agency (the "Agency"), held at 584 Phoenix Drive, Rome, New York at 8:00 a.m. on February 10, 2023, the following members of the Agency were:

Members Present:

EDGE Staff Present:

Others Present:

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 on certain matters pertaining to the change of control of a certain industrial development facility more particularly described below (Alder Creek Beverages, LLC Facility).

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

	Aye	Nay	Abstain
Ferris Betrus	_____	_____	_____
Michael Fitzgerald	_____	_____	_____
David Grow	_____	_____	_____
Mary Faith Messenger	_____	_____	_____
Kirk Hinman	_____	_____	_____
Steve Zogby	_____	_____	_____

RESOLUTION AUTHORIZING THE AGENCY TO CONSENT TO THE CHANGE OF CONTROL OF THE ALDER CREEK BEVERAGES, LLC FACILITY AND TO EXECUTE 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 372 of the Laws of 1970 of the State of New York (collectively, the "Act"), Oneida County Industrial Development Agency (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, Alder Creek Beverages, LLC (the "Company") previously requested that the Agency provide certain financial assistance, consisting of exemptions from sales and use taxes and reduction of real property taxes (the "Financial Assistance"), for a project consisting of acquisition and renovation of a 240,000± square foot building (the "Improvements") situated on a 1,679± acre parcel of land located at One Nirvana Plaza, 12044 State Route 12, Town of Boonville, Oneida County, New York, together with all water rights associated therewith (collectively, the "Land"); and acquisition and installation of equipment in the Improvements (the "Equipment"), all to be used for the manufacture of bottled spring water for distribution to retail sales outlets (the Land, the Improvements and the Equipment are referred to collectively as the "Facility" and the acquisition, renovation and equipping of the Facility is referred to as the "Project"); and

WHEREAS, the Company leases the Facility to the Agency pursuant to a Lease Agreement dated as of February 1, 2017 (the "Lease Agreement"); and

WHEREAS, the Agency leases the Facility back to the Company pursuant to a Leaseback Agreement dated as of February 1, 2017 (the "Leaseback Agreement"); and

WHEREAS, the Facility is the subject of that certain Payment-in-Lieu-of-Tax Agreement by and between the Agency and the Company, dated as of February 1, 2017 (the "PILOT Agreement"); and

WHEREAS, payments under the PILOT Agreement are made pursuant to the terms of a PILOT Payment Escrow Account Agreement by and among the Agency, the Company and Adirondack Bank (the "PILOT Escrow Agreement"); and

WHEREAS, the Facility is also the subject of an Environmental Compliance and Indemnification Agreement by and between the Agency and the Company, dated as of February 1, 2017 (the "Environmental Compliance Agreement"); and

WHEREAS, the Facility is also the subject of a Job Creation and Recapture Agreement by and between the Agency and the Company, dated as of February 1, 2017 (the "Recapture Agreement" and together with the Lease Agreement, the Leaseback

Agreement, the PILOT Agreement, the PILOT Escrow Agreement and the Environmental Compliance Agreement, the “Agency Documents”); and

WHEREAS, by letter dated January 26, 2023, the Company notified the Agency that, on or about January 31, 2023, it intends to transfer 100% of the ownership interest of its members, Wade Abraham and Paul Rayhill (collectively, the “Original Members”) to Nirvana Water Sciences Corp. (the “New Sole Member”); and

WHEREAS, under the terms of the Leaseback Agreement, such transfer of membership interest from the Original Members to the New Sole Member (the “Change of Control”) requires the prior written consent of the Agency; and

WHEREAS, based on information provided by the Company, the Company is in compliance with all conditions of the Agency Lease Documents, will operate the Facility, and will remain primarily liable for all of the obligations of the Company under the Agency Lease Documents; and

WHEREAS, the Company has requested the Agency consent to the Change of Control.

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) 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 Facility constitutes a “project,” as such term is defined in the Act; and

(c) The Change of Control will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of Oneida County and the State of New York and improve their standard of living and thereby serve the public purposes of the Act; and

(d) The Change of Control is reasonably necessary to induce the Company to maintain and expand its business operation in the State of New York; and

(e) It is desirable and in the public interest for the Agency to consent to the Change of Control.

Section 2. In consequence of the foregoing, the Agency hereby determines to consent to the Change of Control, subject to the Company fulfilling the following condition(s) to the satisfaction of the Agency:

- The New Sole Member shall execute and deliver a Closing Certificate of the Company affirming it is aware of its obligations under the Agency Documents and providing organizational documents, in a form acceptable to Agency counsel

Section 3. The Agency is hereby authorized to do all things necessary or appropriate for the accomplishment of the Change of Control, and all acts heretofore taken by the Agency with respect to such sale, assignment and financing are hereby approved, ratified and confirmed.

Section 4.

(a) The Chairman, Vice Chairman, Secretary or any member of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver all documents as may be, in the judgment of the Chairman and Agency Counsel, necessary or appropriate to effect the transactions contemplated by this resolution (hereinafter collectively called the "Closing Documents"). The execution thereof by the Chairman, Vice Chairman, or any member of the Agency shall constitute conclusive evidence of such approval.

(b) The Chairman, Vice Chairman, Secretary or member of the Agency are further hereby authorized, on behalf of the Agency, to designate any additional Authorized Representatives of the Agency (as defined in and pursuant to the Leaseback Agreement).

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 or provided for by the provisions of the Closing Documents, and to execute and deliver all such additional certificates, instruments and documents, 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 resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Closing Documents binding upon the Agency.

Section 6. 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, DO HEREBY CERTIFY:

That I have compared the annexed extract of the minutes of the meeting of the Oneida County Industrial Development Agency (the "Agency"), including the resolutions contained therein, held on February 10, 2023 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) said meeting was open for the public to attend and public notice of the time, place of, and instructions to access, said meeting was duly given, (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 February 10, 2023.

ONEIDA COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

By: _____
Shawna Papale, Secretary

TERMS OF FINANCIAL ASSISTANCE
Board Summary

General Project Information - February 6, 2023

Company: **Kris-Tech Wire Co., Inc.**

Description of Project: Kris Tech intends to construct a +/- 75-80,000 square foot addition to its current manufacturing facility. This project will include site work, infrastructure, utilities, new building construction, renovations to the current facility, equipment purchase, furnishings & fixtures, environmental monitoring, engineering, and architectural services. This expansion will enable the manufacturing of critical supply chain components for energy and infrastructure projects across NY and the US. Outcomes include: Reconfigured manufacturing operations throughout current and new facility; New manufacturing equipment, fixtures, and furnishings throughout

Type of Facility: **Industrial**

Will Project involve the abandonment of a facility? **No**

Request for Financial Assistance - Values

- Sales tax exemption: **\$ 420,000**
- Mortgage recording tax exemption **\$63,750**
- PILOT Payments: **\$1,437,672 estimated**

Length of PILOT: **10 years**

Incremental PILOT: **Yes** Percentage PILOT: **Yes**

Affected Tax Jurisdictions: **Oneida County, City of Rome-Inner, Rome City School District**

Describe PILOT Payments: **Manufacturing PILOT on increase in assessment due to expansion**

Consistent with UTEP: **Yes**

Current real estate taxes or current PILOT : **\$ 74,658.35 (PILOT) + \$6,600 (RPT added parcel)**

Company Obligations for Financial Assistance

Current FTEs to be retained at Facility: **115** in County: **NA**

FTEs to be created at Facility: **5** in County: **NA**

Date when created FTEs to be filled: **3 Years.**

NOTE: Company currently obligated to RETAIN 58 FTE and CREATE 10 FTE related to earlier projects.



APPLICATION FOR FINANCIAL ASSISTANCE

Oneida County Industrial Development Agency
584 Phoenix Drive
Rome, New York 13441-1405
(315) 338-0393 telephone
(315) 338-5694 fax
Shawna M. Papale, Executive Director
spapale@mvedge.org

Please submit the signed and notarized completed application (Pages 1-25 ONLY), which must include any applicable addendum or supplemental information requested in the application, along with payment of a non-refundable \$500 Application Fee and a \$1,000 Commitment Fee (will be applied to final closing costs) to the Oneida County Industrial Development Agency, 584 Phoenix Drive, Rome NY 13441-1405, within 14 days prior to the OCIDA Board of Directors meeting at which you want the Application to be included on the Agenda. Wire transfer and ACH payments are acceptable but all related fees incurred by the Agency are payable by the Applicant. An electronic version of the application must accompany the original application via physical media or e-mail.

Krist-Tech Warehouse Expansion

Project Name

Date of Submission 01/27/2023

Important Notes to Applicant:

Upon the submission of this application to the OCIDA, the application becomes a public document. Be advised that any action brought before the Agency is public information. All agendas for the OCIDA are issued publicly prior to the full agency meeting. Upon the submission of this application to the OCIDA, the application becomes a public document and OCIDA is required by law to post on its website and make available to the public this Application and supporting materials. If when completing this Application, you deem any information to be specifically exempted from disclosure under Article Six of the Public Officers Law, please answer the question "This information is deemed to be exempt from disclosure under Article Six of the Public Officers Law and is submitted on the attached confidential addendum." It is acceptable to submit any confidential addendum electronically as a .pdf file separate from the application, but any confidential addendum must still be submitted with the hard copy of the full application (see Page 1). Please answer any such questions on a separate Addendum titled, "Confidential and Protected by Article Six of the Public Officers Law." If OCIDA is challenged to produce any information the Applicant identifies as protected, the Applicant will be required at its sole cost to defend such assertion on behalf of OCIDA.

The information requested by this application is necessary to determine the eligibility of your project for OCIDA benefits. Please answer all questions and respond "Not Applicable", "NA", or "none" where appropriate. If you're response is an estimate, please indicate so. Attach additional sheets if more space is needed for a response. **All applications must include a completed and signed NYS SEQR form and Cost Benefit Analysis form (please consult with OCIDA) before the application is considered complete.**

By signing and submitting this Application, the Applicant acknowledges that it received a copy of the Uniform Tax Exemption Policy and the Oneida County IDA Penalty for Failure to Meet Employment Levels as adopted by the Agency and Agency Memorandums pertaining to the benefits of projects financed through the Agency.

A project financed through the Agency involves the preparation and execution of significant legal documents. Please consult with an attorney before signing any documents in connection with the proposed project. You will receive an engagement letter from the OCIDA legal counsel. You will be asked to sign the engagement letter acknowledging you will be responsible for all legal fees of OCIDA legal counsel and that you understand the process. Should you not close and legal services have been rendered by the OCIDA legal counsel, Applicant will be responsible for those costs.

If your project requires a public hearing, a representative of the applicant is required to be present. A date will be coordinated by the OCIDA legal counsel.

If you have any questions how to calculate the OCIDA's application fee please refer to the enclosed Memorandum to Companies -Sale Leaseback Transactions or contact the OCIDA.

Part I: Applicant Information

Note: In responding to the following questions, please keep in mind that the Applicant will be party to all of the documents and is the individual or if entity will be formed which will receive the actual financial assistance from the Agency.

Applicant

1(a) Applicant's Legal Name: Kris-Tech Wire Co., Inc

1(b) Principal Address: 80 Otis Street

Rome, New York 13442

1(c) Telephone/Facsimile Numbers: 315-339-5268

1(d) Email Address: graham.brodock@kristechwire.com

1(e) Federal Identification Number: 16-1229121

1(f) Contact Person: Graham Brodock

1(g) Is the Applicant a

Corporation:
If Yes, Public Private
If public, on which exchange is it listed?

- Subchapter S
- Sole Proprietorship
- General Partnership
- Limited Partnership
- Limited Liability Corporation/Partnership
- Single-Member LLC (name and EIN below):

Name: _____

EIN #: _____

- DISC _____
- Other(specify) _____

1(h) State of Organization (if applicable) New York

Applicant's Stockholders, Members, Directors and Officers, Partners.

2(a) Provide the following information with respect to any person with 15% or more in equity holdings in any entity in ownership chain of the project. Add additional sheets if necessary.

<u>Name</u>	<u>Address</u>	<u>Percentage of Ownership</u>
Graham Brodock		100%

2(b) Is the Applicant, or any of the individuals listed in 2(a) above, related directly or indirectly to any other entity by more than 50% common ownership? **If Yes**, indicate name of such entity and the relationship. Yes No

- Aspis Holdings, Inc. (New York Corporation) EIN – 87-3673826 100% Ownership
- One-Pull Solutions Wire and Cable, Inc. (New York Corporation) EIN – 85-2924047 100% Ownership
- Sun-Pull Wire, LLC (New York Limited Liability Company) EIN – 85-4704725 100% Ownership

2(c) Is the Applicant affiliated with any other entity, directly or indirectly, other than as listed in the response to 2(a) above? **If Yes**, please indicate name and relationship of such other entity and the address thereof: Yes No

Applicant's Counsel and Accountant

3(a) Applicant's Attorney

Name/Title: Heather L. Sunser, Esq
Firm: Barclay Damon LLP
Address: 125 East Jefferson Street
Syracuse, NY 13202
Telephone/Fax: 315-725-2796
Email: hsunser@barclaydamon.com

3(b) Applicant's Accountant

Name/Title: Brian Reese, CPA
Firm: Fitzgerald DePietro & Wjnas, CPAs, PC
Address: 291 Genesee Street
Utica, NY 13501
Telephone/Fax: 315-724-2145
Email: brian@fdwcpa.net

Business Description

4(a) Describe the nature of your business and principal products and/or services. Attach additional sheets if necessary.

Kris-Tech is a leading national wire manufacturing company. With all materials produced in the U.S. at our Rome, New York headquarters, Kris-Tech serves a wide range of building, commercial, and utility industries. A third-generation, family-owned business, we remain true to our roots by fostering strong relationships with our team members, customers and partners, and communities.

www.kristechwire.com

Part II: Project Information

5(a) Explain your project in detail. This description should include explanation of all activities which will occur due to this project. Attach additional sheets if necessary.

Kris Tech intends to construct a +/- 75,000-80,000 square foot addition to our current manufacturing facility. This project will include site work, infrastructure, utilities, new building construction, renovations to the current facility, equipment purchase, furnishings & fixtures, environmental monitoring, engineering, and architectural services. This expansion will enable the manufacturing of critical supply chain components for energy and infrastructure projects across NY and the US.

Outcomes include:

- New +/- 75,000-80,000 square foot addition, including parking areas, stormwater management areas, and trees
- Reconfigured manufacturing operations throughout current and new facility
- New manufacturing equipment, fixtures, and furnishings throughout
- Creation of 5 FTE jobs
- Retention of 115 FTE jobs (includes 4 temp FTE employees)
- Merge the adjacent Kris-Tech owned land parcel to simplify current and future projects

Reasons for Project

6(a) Please explain in detail why you want to undertake this project.

Over the last 5 years, Kris-Tech has grown in sales, employees (2019 – 54 HC vs 2022 – 141 HC), and aspirations. To accommodate the growth and future goals, we have built a new facility (2017), completed two expansions onto that facility, and stood up two distribution centers. In the last year, we have even outgrown our manufacturing location which required Kris-Tech to move warehousing offsite. For employee morale and cost savings, we would like to move the warehouse back on site with a +/- 75,000-80,000 sq ft expansion on the southside of our existing building.

In summary, the +/- 75,000-80,000 sq ft expansion will allow Kris Tech the following opportunities:

- Reunite operations and warehousing – employee morale and light cost savings (freight, inventory availability, etc.)
- Retain current workforce vs looking at leasing opportunities in Syracuse
- Reconfigure floor layout to optimize current and future capital equipment

6(b) Why are you requesting the involvement of the Agency in your project?

Kris-Tech has a deep commitment to Oneida county as demonstrated by the initial facility build in 2017, 2 expansions, and the presented 3rd expansion in a short period of time. Kris-Tech's manufacturing facility headquarters in Rome, NY is an existing PILOT program from the Agency. Kris-Tech is requesting that the Agency designate the warehouse expansion as a project of the Agency for the purpose of sales tax exemption and a revised PILOT for the purpose of sales tax exemption and property tax abatement on the value of the new addition. Without the assistance of OCIDA, the feasibility of this project is diminished."

6(c) Please confirm by checking the box below, if there is the likelihood that the Project would not be undertaken **BUT FOR** the Financial Assistance provided by the Agency.

Yes No

If the Project could be undertaken without Financial Assistance provided by the Agency, ("**No**" is checked above) then provide a statement in the space provided below indicating why the Agency should approve the requested assistance:

The alternative to moving forward with the Project at the existing headquarters in Rome is to diversify warehouse capabilities at our current Texas and California locations. We would also consider a Midwest location to cover a "hub-and-spoke" distribution model.

How will the Applicant's plans be affected or scaled back if Agency approval is not granted?

The full project is needed to maintain the project plan.

6(d) Is the proposed project reasonably necessary to discourage the Applicant from removing such other plant or facility to a location outside the State of New York?

Yes No **If Yes**, please explain briefly.

The California and Texas locations are advantageous in that they reach a wide geographic region, provide access to a wider talent pool than Rome, NY, and can provide quicker delivery times to customers which is a Kris-Tech strategic value proposition to our customers. If we were to diversify our warehousing strategy, we would also consider a 3rd out of state location. Alternatively, if the warehouse project is successful, we would consider closing our California location.

6(e) Will financing by the Agency result in the removal or abandonment of a plant or other facility of the applicant or any related entity presently located in another area of New York State?

[Yes [No

If Yes, is the proposed project reasonably necessary to preserve the competitive position of the Applicant in its respective industry? Yes No

If Yes, please provide a statement and evidence supporting the same. Include the name of all taxing jurisdictions in which the abandoned facility or plant lies, and whether Applicant has had any discussions with said taxing jurisdictions regarding the abandonment. Please provide as much detail as possible.

6(f) Has the Applicant or any related entity previously secured financial assistance in Oneida County (whether through the Agency, the Empire State Development Corporation, or any other entity) ? Yes No

If Yes, please explain (indicate date of benefit, location of facility and outstanding balance).

- ESD has provided its Incentive Proposal for additional Excelsior Tax Credits to support a 2018 expansion with new job creation.
 - The Applicant also has an existing lease/leaseback agreement with OCIDA (November 2015/2018), with a PILOT in place
 - Kris-Tech has also submitted a CFA for this planned expansion, but no determination has been received yet.

6(g) Has the Applicant or any related entity secured financial assistance anywhere within the United States within the last 90 days or does the Applicant or any related entity anticipate receiving financial assistance within the next 90 days? Yes No

If Yes, please explain.

6(h) Check all categories best describing the type of project for all end users at project site (you may check more than one; if checking more than one indicate percentage of square footage the use represents):

Please provide percentage of sq. footage for each use (if more than one category):

- | | | |
|---|---------------------------------|---|
| <input checked="" type="checkbox"/> Manufacturing | <input type="text" value="20"/> | % |
| <input type="checkbox"/> Industrial Assembly or Service | <input type="text"/> | % |
| <input type="checkbox"/> Back office operations | <input type="text"/> | % |
| <input type="checkbox"/> Research and Development | <input type="text"/> | % |
| <input type="checkbox"/> Technology/Cybersecurity | <input type="text"/> | % |
| <input checked="" type="checkbox"/> Warehousing | <input type="text" value="80"/> | % |
| <input type="checkbox"/> Commercial or Recreational | <input type="text"/> | % |
| <input type="checkbox"/> Retail | <input type="text"/> | % |

- Add Housing Addendum Residential housing (specify) _____ %
- Pollution Control (specify) _____ %
- Environmental (e.g., Brownfield) (specify) _____ %
- Add Solar Addendum Other (specify ie; renewable energy) _____ %

6(i) Check all categories best describing the **scope of the project**:

- Acquisition of land
- Acquisition of existing building
- Renovations to existing building
- Construction of addition to existing building
- Demolition of existing building or part of building
- Construction of a new building
- Acquisition of machinery and/or equipment
- Installation of machinery and/or equipment
- Other (specify) _____

6(j) Please indicate the financial assistance you are requesting of the Agency, and provide the estimated value of said assistance. Attach a sheet labeled Annual PILOT that shows the annual utilization of the Real Property Tax Abatement by year and by taxing jurisdiction (PLEASE CONSULT WITH IDA STAFF ON PILOT CALCULATIONS).

<u>Assistance Requested</u>	<u>Estimated Values</u>
<input checked="" type="checkbox"/> Real Property Tax Abatement (value of PILOT savings)	\$ <u>1,437,672</u>
<input checked="" type="checkbox"/> Mortgage Tax Exemption (.75%)	\$ <u>63,750</u>
Amount of mortgage: \$	<u>8,500,000</u>
<input checked="" type="checkbox"/> Sales and Use Tax Exemption ** (8.75%)	\$ <u>420,000</u> (Not available for solar)
Value of goods/services to be exempted from sales tax: \$	<u>4,800,000</u>
<input type="checkbox"/> Issuance by the Agency of Tax Exempt Bonds(bond dollar value)\$	_____

**** TOTAL EXEMPTION ASSISTANCE REQUESTED: \$ 1,921,422**

Is the financial assistance requested by the Applicant consistent with the IDA's Uniform Tax Exemption Policy? Yes No

If No, please provide a written statement describing the financial assistance being requested and detailing the reasons the IDA should consider deviating from its Policy.

**** Note that the estimate provided above will be provided to the New York State Department of Taxation and Finance. The Applicant acknowledges that the transaction documents will include a covenant by the Applicant that the estimate, above, represents the maximum amount of sales and use tax benefit currently authorized by the Agency with respect to this Application. The Agency may utilize the estimate, above, as well as the (9)proposed total Project Costs as contained within this Application, to determine the Financial Assistance that will be offered. It is the responsibility of the applicant to inform the IDA within 10 days if the project amount changes.**

Part III: Facility Information

Attach copies of the most recent real property tax bills. Include copies for all taxing jurisdictions for the site/ facility that IDA assistance is being sought.

Facility (Physical Information) If multiple locations please provide information on all.

7(a) Street Address of Facility:

80 Otis Street

7(b) City, Town and/or Village (list ALL incorporated municipalities):

Rome, New York

7(c) School District:

Rome

7(d) For what purpose was the facility site most recently used (i.e., light manufacturing, heavy manufacturing, assembly, etc.)?

Manufacturing

7(e) Zoning Classification of location of the project:

Industrial

7(f) Please describe in detail the facility to be acquired, constructed or renovated (including number of buildings, square footage, number of floors, type of construction,) and attach plot plans, photos or renderings, if available. If there are infrastructure improvements (water, sewer, gas, electrical, etc.) please provide details along with who will carry out those improvements and who will fund them. ***Please be as specific as possible.***

Construction of pre-engineering metal building 2023 for +/- 75,000-80,000 sq ft addition, Construction of employee parking lot and possible covered walkway 2023, Expansion of receiving dock 2023, Merge the adjacent Kris-Tech owned land parcel to simplify current and future projects, Relocation of major utilities 2023, construction of pre-engineering metal building ~2028 for additional 50,000 sq ft (not in scope). Please see attached.

7(g) Has construction or renovation commenced? Yes No

If Yes, please describe the work in detail that has been undertaken to date, including the date of commencement.

If No, indicate the estimated dates of commencement and completion:

Construction Commencement: March 2023

Construction completion: December 2023

7(h) Will the construction or operation of the facility or any activity which will occur at the site require any local ordinance or variance to be obtained or require a permit or prior approval of any state or federal agency or body (other than normal occupancy and/or construction permits)?

Yes No

If Yes, please describe.

Site plan approval is expected to be obtained in Q1 2023 (goal: February/March Planning Board Meeting).

Has the Project received site plan approval from the Planning Department?

Yes No N/A

If Yes, please provide the Agency with a copy of the planning department approval along with the related State Environmental Quality Review (SEQR) determination. If no, please provide the status of approval:

7(i) Will the project have a significant effect on the environment? Yes No

Important: please attach and sign Part 1 of either the the long or short Environmental Assessment Form to this Application.

7(j) What is the useful life of the facility? 40 years

7(k) Is the site in a former Empire Zone? Yes No

If Yes, which Empire Zone: Rome - 43

Is project located in a Federal HUB Zone or distressed area: Yes No
Provide detail.

ALL APPLICANTS MUST ANSWER PART IV-8(a)

Part IV: Retail Project Questionnaire

To ensure compliance with Section 862 of the New York General Municipal Law, the Agency requires additional information if the proposed Project is one where customers personally visit the Project site to undertake either a retail sale transaction or to purchase services.

8(a). Will any portion of the project (including that portion of the cost to be financed from equity or other sources) consist of facilities or property that are or will be primarily used in making sales of goods or services to customers who personally visit the project site?

Required Yes or No **If the answer is YES, please continue below.**
If the answer is NO, proceed to Section Part V - Facility (Legal Info)

For purposes of Question A, the term “retail sales” means (i) sales by a registered vendor under Article 28 of the Tax Law of the State of New York (the “Tax Law”) primarily engaged in the retail sale of tangible personal property (as defined in Section 1101(b)(4)(i) of the Tax Law), or (ii) sales of a service to customers who personally visit the Project.

8(b). What percentage of the cost of the Project will be expended on such facilities or property primarily used in making sales of goods or services to customers who personally visit the project? _____%. **If the answer is less than 33% do not complete the remainder of this retail determination page and proceed to next section, Part V Facility (Pg 13)**

*** If the answer to A above is Yes AND the answer to B above is greater than 33.33%, indicate which of the following questions below apply to the project:**

1. Will the project be operated by a not-for-profit corporation Yes No

2. Is the Project location or facility likely to attract a significant number of visitors from outside Oneida County?

Yes No

If yes, please provide a third party market analysis or other documentation supporting your response.

3. Is the predominant purpose of the project to make available goods or services which would not, but for the project, be reasonably accessible to the residents of the municipality within which the proposed project would be located because of a lack of reasonably accessible retail trade facilities offering such goods or services?

Yes No

If yes, please provide a third party market analysis that demonstrates that a majority of the project’s customers are expected to come from outside of Oneida County and the project will not directly compete with existing businesses located in Oneida County.

Part V: Facility (Legal Information)

9(a) With respect to the **present owner** of the land or facility, please give the following information and provide a brief statement regarding the status of the acquisition.

(Note: the present owner is not necessarily the user of the facility, but that party which holds legal title to the facility.)

Legal Name: Kris-Tech Wire Co., Inc
Address: 80 Otis Street
Rome, New York 13442
Telephone: 315-339-5268
Balance of Mortgage: 3570625
Holder of Mortgage: Chase Bank

If the Applicant is not the present owner of the facility, please attach any written agreements and contracts concerning the acquisition of the real property and/or equipment.

9(b) Is there a legal relationship, directly or indirectly, by virtue of common control or through related persons, between the Applicant and the present owner of the facility?
 Yes No. **If Yes**, please explain.

Owned by Applicant

9(c) Will a related real estate holding company, partnership or other entity, be involved in the ownership structure of the transaction?
 Yes No. **If Yes**, please explain.

9(d) Will the title owner of the facility/property also be the user of the facility?
 Yes No **If Yes**, please explain.

Title owner is President of the organization

9(e) Is the Applicant currently a tenant in the facility? Yes No

9(f) Are you planning to use the entire proposed facility?
 Yes No

If No, please give the following information with respect to tenant(s) which will remain in the facility after the completion of the project, including the square footage the Applicant will occupy:

<u>Name of Tenant</u>	<u>Floors Occupied</u>	<u>Sq. Ft. Occupied</u>	<u>Nature of Business</u>

9(g) Are any of the tenants related to the owner of the facility?
 Yes No **If Yes**, please explain.

9(h) Will there be any other users utilizing the facility?
 Yes No

If Yes, please explain. Provide detail of the contractual arrangement including any financial exchange for the use of the site or property.

Part VI: Equipment

10(a) List the principal items or categories of equipment to be acquired as part of the project. If you are requesting sales tax exemption it is important to be as detailed as possible. (If a complete list is not available at time of application, as soon as one is available but prior to final authorizing resolution, please submit a detailed inventory of said equipment to be covered.) Attach a sheet if needed.

COstruction of a +/- 75,000-80,000 SF addition, parking lot, Furniture, Fixtures, and Equipment

10(b) Please provide a brief description of any equipment which has already been purchased or ordered, attach all invoices and purchase orders, list amounts paid and dates of expected delivery. Attach a sheet if needed.

NA

10(c) What is the useful life of the equipment? 7 years

Part VII: Employment Information

"FTE" shall mean a full time employee that has a minimum of thirty-five (35) scheduled hours per week, or any combination of two or more part-time employees that work a minimum of fifteen (15) scheduled hours per week, when combined together, constitute the equivalent of a minimum of thirty-five (35) scheduled hours per week, and whose workplace location is the project facility. For this purpose an employee shall include a leased employee regularly retained by the company.

11(a) Estimate how many construction jobs will be created or retained as a result of this project.

66

11(b) Will the project preserve permanent, private sector jobs or increase the overall number of permanent, private sector jobs in the State of New York?

Yes No **If Yes**, explain below.

- Retain ~11 current warehouse employees
 - Hire at least 5 FTE within the next 5 years. Roles include accounting, engineering, and operations.

11(c) Have you experienced any employment changes (+ or -) in the last three (3) years?

Yes No **If Yes**, explain below.

Over the last 5 years, Kris-Tech has grown in sales, employees (2019 – 54 HC vs 2022 – 141 HC), and aspirations.

11(d) Job Information related to project ***

Estimate below how many jobs will be created and retained as a result of this project, if OCIDA assistance is granted. **PLEASE MAKE SURE TOTAL PART-TIME EMPLOYEES ARE TURNED INTO FULL-TIME EQUIVALENTS (FTE) for Line B. - See Pg. 17.**

	Location 1	Location 2	Location 3	Location 4	Location 5	
Address in NYS	80 Otis Street					Total
Full-Time Company	115					115
Full-Time Independent Contractors						
Full-Time Leased						
A. Total Full-Time BEFORE	115					115
Part-Time Company						
Part-Time Independent Contractors						
Part-Time Leased						
B. Total FTE Part-Timers BEFORE	0					0
C. Total FTE BEFORE*	115					115

*For **Total FTE BEFORE** add full-time employees (line A) plus part-time employees that have been converted to FTE (line B).

	Number of Jobs AFTER Project (within 3 years of project completion)	Location 1	Location 2	Location 3	Location 4	Location 5	Total
	Full-time Company	120					120
	Full-Time Independent Contractors						
	Full-Time Leased						
A.	Total Full-Time AFTER	120					120
	Part-Time Company						
	Part-Time Independent Contractors						
	Part-Time Leased						
B.	Total FTE Part-Timers AFTER	0					0
C.	Total FTE AFTER *	120					120

*For **Total FTE AFTER** add full-time employees (line A) plus part-time employees that have been converted to FTE (line B).

	Estimate the number of residents from the Labor Market Area** in which the Project is located that will fill the <u>JOBS CREATED</u> within three years of project completion	Location 1	Location 2	Location 3	Location 4	Location 5	Total
A.	Full-Time	5					5
B.	FTE Part-Timers						
C.	Total AFTER	5					5

** Labor Market Area includes Oneida, Lewis, Herkimer, and Madison Counties

Provide Any Notes To Job Information Below

SALARY AND BENEFITS	Retained Jobs		Created Jobs	
	Average Annual Salary <i>per employee</i>	Average Fringe Benefits (as a percentage of wages)	Average Annual Salary <i>per employee</i>	Average Fringe Benefits (as a percentage of wages)
Management	\$	%	\$	%
Administrative	\$	%	\$	%
Production	\$	%	\$ 75,000	20 %
Independent Contractor	\$	%	\$	%
Other	\$	%	\$	%
Overall Weighted Average	\$ 66,912	20 %	\$ 75,000	20 %

*** By statute, Agency staff must project the number of Full-Time Jobs that would be retained and created if the request for Financial Assistance is granted. "FTE" shall mean a full time employee that has a minimum of thirty-five (35) scheduled hours per week, or any combination of two or more part-time employees that work a minimum of fifteen (15) scheduled hours per week, when combined together, constitute the equivalent of a minimum of thirty-five (35) scheduled hours per week, and whose workplace location is the project facility. For this purpose an employee shall include a leased employee regularly retained by the company.

11(e) Please list NAICS codes for the jobs affiliated with this project:

331420 Copper Rolling, Drawing, Extruding, and Alloying

Part VIII: Estimated Project Cost and Financing

12(a) List the costs necessary for preparing the facility.

LAND Acquisition	\$	(If lease value use OTHER below)
Existing Building(s) ACQUISITION	\$	
Existing Building(s) RENOVATION	\$	375,000
NEW Building(s) CONSTRUCTION	\$	7,455,000
Site preparation/parking lot construction	\$	1,160,000
Machinery & Equipment that is TAXABLE	\$	200,000
Machinery & Equipment that is TAX-EXEMPT	\$	1,700,000
Furniture & Fixtures	\$	100,000
Installation costs	\$	
Architectural & Engineering	\$	500,000
Legal Fees (applicant, IDA, bank, other counsel)	\$	10,000
Financial (all costs related to project financing)*	\$	50,000
Permits (describe below)	\$	
Other (describe below) ie: solar decommissioning expense	\$	

Other:	Cost:	Subtotal \$	11,550,000
1.			
2.			
3.			
4.			
5.			
		Agency Fee ¹ \$	53,875
		Total Project Cost \$	11,603,875

* **Bank fees, title insurance, appraisals, environmental reviews, etc.**

¹ **See Attached Fee Schedule (Page 22) for Agency Fee amount to be placed on this line.**

Permit/Other Information

12(b) Has the Applicant contacted any bank, financial institution or private investor with respect to financing the proposed project? Yes No **If Yes**, please provide details below.

Chase bank is prepared to fund a portion of the project

12(c) Has the Applicant received a commitment letter for said financing? **If Yes**, please provide a copy along with this application. Yes No

12(d) Sources of Funds for Project Costs

Bank Financing: ----- \$ 8,575,000

Equity (excluding equity that is attributed to grants/tax credits) -- \$ 1,258,875

Tax Exempt Bond Issuance (if applicable) ----- \$ _____

Taxable Bond Issuance (if applicable) ----- \$ _____

Public Sources (Include sum total of all state and federal tax credits and grants) Break out individually below.----- \$ 1,770,000

Identify each Public state and federal grant/credit:

Comments:

Source	Empire State Development Grant Funds	\$	1,750,000	Requested funds are pending - alternative source will be bank financing.
Source	Excelsior Jobs Program	\$	20,000	
Source		\$		
Source		\$		

Total Sources of Funds for Project Costs: \$ 11,603,875

Part IX: Real Estate Taxes

13(a) For each tax parcel which comprises the facility, and for which assistance is being sought, please provide the following information using figures from the most recent tax year. If an increase in the assessment is anticipated due to the proposed project, please indicate the new estimated assessment amount in the **POST- PROJECT** column. Attach copies of the most recent tax bills for all jurisdictions.

Tax Map Parcel #	Current Land Assessment	Current Building Assessment	Current Total Assessment	Current Total Taxes Amount (\$)	Estimated Post-Project Assessment
243.000-0001-001.058	\$ 200,625	\$ 5,878,325	\$ 6,078,950	\$ 47,778	\$ 9,278,950
243.000-0001-001.050	\$ 73,500	\$ 30,000	\$ 103,500	\$ 6,600	\$ 0

13(b) Will the entirety of each tax parcel be subject to the PILOT? YES NO

13(c) If the entirety of each parcel will not be subject to the PILOT, will the municipality require a subdivision? YES NO

***If a subdivision is required, it is the responsibility of the Applicant to complete subdivision approval prior to commencement of the PILOT Agreement, and to provide the Agency with the tax parcel number(s) assigned.**

13(d) Address of Receiver of Town and/or Village Taxes (include all jurisdictions):

Rome City Treasurer - City

198 N. Washington St.

Rome, NY 13440

13(e) Address of Receiver of School Taxes:

Rome City Treasurer - City

198 N. Washington St.

Rome, NY 13440

13(f) Has the current property owner or user been granted an Ag-District exemption on the tax map parcel anytime during the past 4 years?

Yes No

If Yes explain below.

13(g) Please consult with Agency staff to complete a Cost/Benefit Analysis form to attach to this Application.

Use space below for additional information

Please see attached CBA

NYS SEQRA Environmental Review

- The applicant must complete, sign and return to the IDA **either** the Short Form Environmental Assessment Form (SEAF) **or** the Full Environmental Assessment Form (FEAF). See the NYS DEC website for the most current versions of these documents.

<https://www.dec.ny.gov/permits/6191.html>

- To determine which EAF form is appropriate for the project, the applicant should consult with its engineer or legal counsel.
- It is the IDA's strong preference that the municipality that governs the jurisdiction where the project is located (e.g., a Planning Board, Zoning Board or other supervisory board) serve as lead agency for the SEQRA review.
- In limited cases, the IDA will act as lead agency, but it may lead to additional cost to the applicant if a review is required to make a determination of environmental impact.
- If another public body is serving as lead agency for the SEQRA review the applicant should provide the IDA with a signed Part 2 (and Part 3 if using the Long Form) and any minutes of meetings that detail the lead agency's determination.
- The IDA cannot grant any financial assistance until the SEQRA review process is complete.

Agency Fee Schedule

Commitment Fee: \$1,000 – due following the initial inducement but prior to scheduling of the public hearing; this amount is non-refundable if the applicant fails to close on the project before the IDA. Upon closing with the IDA this amount is applied to the closing fees.

Bond Fees: ½ of 1% of total bond amount

IDA Agency Fee: PILOT, Mortgage Recording Exemption, Sales Tax Exemption:

- Up to a \$1.0 Million project - \$5,000
- Above \$1.0 Million project up to \$10.0 Million project – ½ of 1% of total project cost.
- Above \$10.0 Million project – ½ of 1% of total project cost up to \$10.0 Million plus incremental increase of ¼ of 1% of total project above \$10.0 Million.
- Any previously induced solar or renewable energy projects that have not yet proceeded to a final authorizing resolution, and are asking for an increase in benefits, will be subject to an Agency fee of one and one-half times the Agency's normal fee.

Transaction Counsel/Agency Counsel fee:

Set by Bond/Transaction Counsel based upon the nature and complexity of the transaction. This applies to bond and non-bond transactions (leasebacks, sale-leasebacks, etc).

Transaction Counsel/Agency Counsel fees for bond transactions typically will not exceed 2% of the bond amount or project costs. Transaction Counsel/Agency Counsel fees for a sale-leaseback/lease-leaseback transaction are typically \$8,500 to \$10,000 if no commercial financing is involved or \$10,000 to \$12,000 if commercial financing is involved. You will receive an engagement letter with a quote based upon the scope of your project.

Annual Fee:

For the term in which the property remains in the IDA's name, an annual lease payment is due in the amount of \$750 (Solar Projects: \$2,000). The first payment is due at closing and subsequent payments are due each January 1. For annual fees not paid and delinquent, a late charge of \$50 per month will be levied until such time the fee plus late charges are paid.

Other fees:

If Applicant requests the IDA enter into subsequent transactions following closing (i.e., a facility refinance), the IDA will charge a closing fee equal to 1/8 of one percent of the total reissuance, redemption, new or revised mortgage, refinancing, spreading agreement or other transaction with a minimum payment due of \$500. Applicant will also be responsible to pay any legal fees and any bank or financial institution fees the IDA incurs in connection with said transaction, throughout the term of the Agency's involvement with the facility.

REPRESENTATIONS AND CERTIFICATION BY APPLICANT

The undersigned requests that this Application be submitted for review to the Oneida County Industrial Development Agency (the "Agency") and its Board of Directors.

Approval of the Application can be granted solely by this Agency's Board of Directors. The undersigned acknowledges that Applicant shall be responsible for all costs incurred by the Agency and its counsel in connection with the attendant negotiations whether or not the transaction is carried to a successful conclusion.

The Applicant further understands and agrees with the Agency as follows:

1. **Annual Sales Tax Filings.** In accordance with Section 858-b(2) of the New York General Municipal Law, the Applicant understands and agrees that, if the Project receives any sales tax exemptions as part of the Financial Assistance from the Agency, in accordance with Section 874(8) of the General Municipal Law, the Applicant agrees to file, or cause to be filed, with the New York State Department of Taxation and Finance, the annual form prescribed by the Department of Taxation and Finance, describing the value of all sales tax exemptions claimed by the Applicant and all consultants or subcontractors retained by the Applicant.
2. **Annual Employment, Tax Exemption & Bond Status Reports.** The Applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, the Applicant agrees to file, or cause to be filed, with the Agency, on an annual basis, reports regarding the number of people employed at the project site as well as tax exemption benefits received with the action of the Agency. For Applicants not responding to the Agency's request for reports by the stated due date, a \$500 late fee will be charged to the Applicant for each 30-day period the report is late beyond the due date, up until the time the report is submitted. Failure to provide such reports as provided in the transaction documents will be an Event of Default under the Lease (or Leaseback) Agreement between the Agency and Applicant. In addition, a Notice of Failure to provide the Agency with an Annual Employment, Tax Exemption & Bond Status Report may be reported to Agency board members, said report being an agenda item subject to the Open Meetings Law.
3. **Absence of Conflict of Interest.** The Applicant has consulted the Agency website of the list of the Agency members, officers and employees of the Agency. No member, officer, or employee of the Agency has an interest, whether direct or indirect, in any transaction contemplated by this Application, except as herein after described (if none, state "none"):
4. **Hold Harmless.** Applicant hereby releases the Agency and its members, officers, servants, agents and employees from, agrees that the Agency shall not be liable for and agrees to indemnify, defend and hold the Agency harmless from and against any and all liability arising from or expense incurred by (A) the Agency's examination and processing of, and action pursuant to or upon, the attached Application, regardless of whether or not the Application or the Project described therein or the tax exemptions and other assistance requested therein are favorably acted upon by the Agency, (B) the Agency's acquisition, construction and/or installation of the Project described therein and (C) any further action taken by the Agency with respect to the Project; including without limiting the generality of the foregoing, all causes of action and attorneys' fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. If, for any reason, the Applicant fails to conclude or consummate necessary negotiations, or fails, within a reasonable or specified period of time, to take reasonable, proper or requested action, or withdraws, abandons, cancels or neglects the Application, or if the Agency or the Applicant are unable to reach final

agreement with respect to the Project, then, and in the event, upon presentation of an invoice itemizing the same, the Applicant shall pay to the Agency, its agents or assigns, all costs incurred by the Agency in the processing of the Application, including attorneys' fees, if any.

5. The Applicant acknowledges that the Agency has disclosed that the actions and activities of the Agency are subject to the Public Authorities Accountability Act signed into law January 13, 2006 as Chapter 766 of the 2005 Laws of the State of New York.
6. The Applicant acknowledges that the Agency is subject to New York State's Freedom of Information Law (FOIL). **Applicant understands that all Project information and records related to this application are potentially subject to disclosure under FOIL subject to limited statutory exclusions.**
7. The Applicant acknowledges that it has been provided with a copy of the Agency's recapture policy (the "Recapture Policy"). The Applicant covenants and agrees that it fully understands that the Recapture Policy is applicable to the Project that is the subject of this Application, and that the Agency will implement the Recapture Policy if and when it is so required to do so. The Applicant further covenants and agrees that its Project is potentially subject to termination of Agency financial assistance and/or recapture of Agency financial assistance so provided and/or previously granted.
8. The Applicant understands and agrees that the provisions of Section 862(1) of the New York General Municipal Law, as provided below, will not be violated if Financial Assistance is provided for the proposed Project:

§ 862. Restrictions on funds of the agency. (1) No funds of the agency shall be used in respect of any project if the completion thereof would result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state, provided, however, that neither restriction shall apply if the agency shall determine on the basis of the application before it that the project is reasonably necessary to discourage the project occupant from removing such other plant or facility to a location outside the state or is reasonably necessary to preserve the competitive position of the project occupant in its respective industry.

9. The Applicant confirms and acknowledges that the owner, occupant, or operator receiving Financial Assistance for the proposed Project is in substantial compliance with applicable local, state and federal tax, worker protection and environmental laws, rules and regulations.
10. The Applicant confirms and acknowledges that the submission of any knowingly false or knowingly misleading information may lead to the immediate termination of any Financial Assistance and the reimbursement of an amount equal to all or part of any tax exemption claimed by reason of the Agency's involvement the Project.
11. The Applicant confirms and hereby acknowledges that as of the date of this Application, the Applicant is in substantial compliance with all provisions of Article 18-A of the New York General Municipal Law, including, but not limited to, the provision of Section 859-a and Section 862(1) of the New York General Municipal Law.
12. The Applicant and the individual executing this Application on behalf of the Applicant acknowledge that the Agency will rely on the representations made herein when acting on this Application and hereby represent that the statements made herein do not contain any untrue statement of a material

fact and do not omit to state a material fact necessary to make the statements contained herein not misleading.

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

Robert J Pagano III, being first duly sworn, deposes and says:

1. That I am the Vice President (Corporate Office) of Kris-Tech Wire (Applicant) and that I am duly authorized on behalf of the Applicant to bind the Applicant.
2. That I have read the attached Application, I know the contents thereof, and that to the best of my knowledge and belief, this Application and the contents of this Application are true, accurate and complete.

Robert J Pagano III
(Signature of Officer)

Subscribed and affirmed to me under penalties of perjury this 27 day of January, 2023.

Debra Laughinghouse
(Notary Public)

DEBRA LAUGHINGHOUSE
Notary Public, State of New York
Registration No. 01LA6402362
Qualified in Oneida County
Commission Expires: 12/30/2023

If the application has been completed by or in part by other than the person signing this application for the applicant please indicate who and in what capacity:

By: _____

Name: _____

Title: _____

Date: _____

Please submit the signed and notarized completed application along with payment of a non-refundable **\$500 Application Fee** and a **\$1,000 Commitment Fee** (will be applied to final closing costs) to the **Oneida County Industrial Development Agency**, 584 Phoenix Drive, Rome NY 13441-1405, **within 14 days prior to the OCIDA Board of Directors meeting at which you want the Application to be included on the Agenda**. Wire transfer and ACH payments are acceptable but all related fees incurred by the Agency are payable by the Applicant. It is advised that an electronic version of the application accompany the original application via hard copy or e-mail. An electronic version of the application must accompany the original application via physical media or e-mail.

Anthony J. Picente Jr.
County Executive

Shawna M. Papale Executive
Director/Secretary

Jennifer Waters
Assistant Secretary

ONEIDA COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

OCIDA

584 Phoenix Rome, New York 13441-4105
Ph: (315) 338-0393, fax (315) 338-5694
info@mvedge.org www.oneidacountyida.org



David B. Grow
Chair

L. Michael Fitzgerald
Vice-Chair

Mary Faith Messenger
Treasurer

Ferris Betrus

Kirk Hinman

Eugene Quadraro

Steven Zogby

MEMORANDUM TO COMPANIES SALE-LEASEBACK TRANSACTIONS

1. When a Company decides that a sale-leaseback transaction may suit its particular needs, the first order of business is for the Company to complete an Application for Financial Assistance, together with an Environmental Impact Questionnaire, Cost/Benefit Analysis and Statement of the Project Applicant (referred to collectively as the "Application"). The Application is submitted to Agency Counsel for a formal decision as to whether or not the project qualifies as a "project," as defined by law.
2. No action can be taken until the Application is completed and submitted to the Agency and approved by Agency Counsel.
3. Upon completion of the Application and approval by Agency Counsel, the Agency will meet for the purpose of adopting an Inducement Resolution and reviewing the Environmental Impact Questionnaire, Cost/Benefit Analysis and Statement of the Project Applicant. At this time a Resolution may be adopted by the Agency concerning the environmental impact. **Please note that the Agency is subject to the Open Meetings Law, and all meetings will be open to the public, including news media.**
4. The Company is expected and encouraged to have its own counsel. The Company is also required to reimburse the Agency for all legal expenses incurred in furtherance of a proposed transaction, whether or not that transaction is completed. This includes all fees and disbursements of Agency Counsel.
5. The Company will be asked to sign an Inducement Agreement, which sets forth the terms of the proposed transaction and the obligations of the parties in furtherance of the same. The Company will also be asked to provide Agency Counsel with certain

information concerning the formation of the corporation or partnership, a survey of the property, title insurance, insurance certificates, etc. before the transaction can close. All matters in connection with the transfer of the real estate will be handled primarily by Company Counsel with the assistance of Agency Counsel.

6. A Public Hearing may be required in accordance with the New York State General Municipal Law, after which the Oneida County Executive must approve or disapprove the issue. Notice of the Public Hearing must be published at least thirty (30) days prior to the Hearing in the newspaper where the project is located. The highest elected official of each affected taxing jurisdiction must also receive thirty day written notice of the Hearing.

No financial benefits may be granted by the Agency to the Company until after the Public Hearing if required.

7. Agency Counsel has certain requirements as to those documents which must be included in the transaction and the content thereof, including but not limited to requiring environmental impact surveys, environmental indemnifications and general indemnifications.
8. The fee schedule is attached, covering the Agency fee, the Agency's work with respect to the project and the work of Agency Counsel.

The estimated fees for Agency Counsel may vary depending on the nature of the project. The initial fee quote assumes that the transaction closes within ninety (90) days from the date of the inducement, that there will be no unusual questions of law or prolonged negotiations regarding the documents, and that the involvement or assistance from other agencies will not require substantial modifications to the typical structure and documentation of similar transactions. The fee quote also assumes that Agency Counsel will not be called upon to coordinate with any lender, as the Agency is not issuing bonds. The fee quote assumes that closing will take place by mail and will not necessitate attending meetings with the Company or any lender.

9. Once the terms and conditions of the transaction are fairly well established, Agency Counsel prepares preliminary drafts of the financing documents and distributes them to all parties for review and comment. Comments accepted by all counsel will result in redrafting of documents. The parties establish a mutually agreeable closing date, and final documents for execution are prepared.

10. The Agency then conducts a meeting whereby it adopts an Authorizing Resolution, under which the Agency approves of the form of the documents and authorizes the Chairman to execute the same.
11. The closing takes place.
12. Some of the benefits available to a company under a sale-leaseback transaction are as follows:
 - ⇒ Exemption from New York State mortgage recording tax
 - ⇒ Exemption from New York State sales tax for materials used in construction
 - ⇒ Real property tax abatement on the value added to the project (for more information, please see the Uniform Tax Exemption Policy enclosed herewith)

c:1997/ocida/irbmemo3.doc/lsr_pc

**MEMORANDUM TO APPLICANTS FINANCING AN IDA PROJECT
THROUGH A COMMERCIAL LENDER**

We have found it helpful to outline at the onset of a transaction the basic structure of financing when an industrial development agency (“IDA”) has a fee or leasehold interest in a property and is party to a mortgage or other financing instrument. **Please give a copy of this memorandum to your lender as early in the financing process as possible.**

An IDA is party to a financing instrument purely as a conduit for financial assistance (in the case of granting exemptions from mortgage recording tax) and to grant its interest in the facility to the lender. To preserve the passive nature of its role, the IDA cannot assume any obligations or make any representations that a traditional Borrower would make to a lender. It has been our experience that the easiest way to accomplish this is to define the Borrower as the “Borrower,” define the IDA as the “Agency,” and only include the Agency in the granting clause and with respect to the assignment of rents, inasmuch as those are the only reasons that the Agency is party to this document.

Furthermore, because PILOT Payments are contractual obligations and are not given the same high priority as tax payments, we crafted some language that will restore the taxing jurisdictions to the same position they would have been but not for the IDA involvement in the project. While it is not disputed that is an equitable arrangement, certain lenders have expressed concern that, because the requirement to pay PILOT Payments is contained in a private contract, there is no prescribed process to avoid significant delinquencies as there is under a tax foreclosure. It has been our experience the easiest way to accomplish this is for a lender to escrow PILOT Payments so it has the assurance that payments are made in a timely manner. If a lender does not wish to escrow PILOT Payments, an alternative is for the IDA to record a PILOT Mortgage that would be given first priority over the lender’s mortgage, similar to the priority taxes have.

Below are certain provisions we require be incorporated into each financing document to which the IDA is a party (please modify capitalized terms accordingly):

1. AGENCY PROVISIONS.

a. Agency makes no covenants other than to mortgage all of its interest in the Premises excepting its Unassigned Rights (as said term is defined in the Leaseback Agreement).

b. **NO RECOURSE AGAINST AGENCY:** Lender agrees that Lender will not look to the Agency or any principal, member, director, officer or employee of the Agency with respect to the Indebtedness or any covenant, stipulation, promise, agreement or obligation contained in this Mortgage. In enforcing its rights and remedies under this Mortgage, Lender will look solely to the Premises for the payment of the Indebtedness and for the performance of the provisions hereof. Lender will not seek a deficiency or other money judgment against the Agency or any principal, member, director, officer or employee of the Agency and will not institute any separate action against the Agency by reason of any default which may occur in the performance of any of the terms and conditions of any documents evidencing the Indebtedness.

c. **HOLD HARMLESS:** Borrower and Lender agree that the Agency, its directors, members, officers, agents (except the Borrower) and employees shall not be liable for and Borrower agrees to defend, indemnify, release and hold the Agency, its directors, members, officers, agents (except the Borrower) and employees harmless from and against any and all (i) liability for loss or damage to Property or injury to or death of any and all Persons that may be occasioned by, directly or indirectly, any

cause whatsoever pertaining to the Facility or arising by reason of or in connection with the occupation or the use thereof or the presence of any Person or Property on, in or about the Facility or the Land or (ii) liability arising from or expense incurred by the Agency's financing, acquiring, constructing, renovating, equipping, owning and leasing of the Facility, including without limiting the generality of the foregoing, all claims arising from the breach by the Borrower of any of their respective covenants contained herein and all causes of action and attorneys' fees and any other expenses incurred in defending any claims, suits or actions which may arise as a result of any of the foregoing, provided that any such losses, damages, liabilities or expenses of the Agency are not incurred or do not result from the gross negligence or intentional or willful wrongdoing of the Agency, or any of its directors, members, agents (except the Borrower) or employees. The foregoing indemnities shall apply notwithstanding the fault or negligence in part of the Agency or any of its members, directors, officers, agents or employees and irrespective of the breach of a statutory obligation or the application of any rule of comparative or apportioned liability.

d. **SPECIAL OBLIGATION.** The obligations of the Agency under the Mortgage and Financing Documents constitute a special obligation of the Agency, and all charges payable pursuant to or expenses or liabilities incurred thereunder shall be payable solely out of the revenues and other moneys of the Agency derived and to be derived from the leasing of the Facility, any sale or other disposition of the Equipment and as otherwise provided in the Authorizing Resolution, the Leaseback Agreement and the PILOT Agreement. Neither the members, officers, agents (except the Borrower) or employees of the Agency, nor any person executing the Mortgage and Financing Documents on behalf of the Agency, shall be liable personally or be subject to any personal liability or accountability by reason of the leasing, construction, renovation, equipping or operation of the Facility. The obligations of the Agency under the Financing Documents are not and shall not be an obligation of the State or any municipality of the State and neither the State nor any such municipality (including, without limitation, the County of Oneida), shall be liable thereon.

e. **SUBORDINATION TO PILOT AGREEMENT:** This Mortgage shall be subject and subordinate to any PILOT Agreement between the Borrower and the Agency with respect to the payments in lieu of taxes assessed or imposed upon the Premises, and by accepting this Mortgage, Lender acknowledges and agrees that such PILOT payments shall have the same force, priority and effect as a real property tax lien under New York State law against the Premises.

If a lender chooses to escrow PILOT Payments, we will incorporate the following provisions into the Leaseback (or Lease) Agreement:

Section 9.13 Subordination to Mortgage. This Leaseback Agreement and the rights of the Company and the Agency hereunder (other than with respect to the Unassigned Rights) are subject and subordinate to the Lien of the Mortgage, and all extensions, renewals or amendments thereof. The subordination of this Leaseback Agreement to the Mortgage shall be automatic, without execution of any further subordination agreement by the Company or the Agency. Nonetheless, if the Bank requires a further written subordination agreement, the Company and the Agency hereby agree to execute, acknowledge and deliver the same.

Section 9.14 Rights of Bank.

(a) Bank is hereby given the right by the Agency, in addition to any other rights herein granted, without any requirement to obtain the Agency's consent, to mortgage the mortgagors' respective interests in the Facility and, in the case of the Company, to assign and grant a security interest in the Company's rights under the Company Documents as collateral security for its obligations to the Bank, upon the condition that all rights acquired by Bank shall be subject to all rights and interests of the

Agency herein and in the other Company Documents, none of which covenants, conditions or restrictions is or shall be waived by the Agency by reason of this right to mortgage or grant a security interest in the Facility and the Company Documents, including Unassigned Rights.

(b) There shall be no renewal, cancellation, surrender, acceptance of surrender, material amendment or material modification of this Leaseback Agreement or any other Company Document by joint action of the Agency and the Company alone, without, in each case, the prior consent in writing of Bank, nor shall any merger result from the acquisition by, or devolution upon, any one entity of any fee and/or leasehold estates or other lesser estates in the Facility. Failure of the Bank to consent to a modification of this Leaseback Agreement by the Agency shall constitute an Event of Default.

(c) If the Agency serves a notice of default upon the Company, it shall also serve a copy of such notice upon Bank at the address set forth in Section 9.1.

(d) In the event of any default by the Company under this Leaseback Agreement or any other Company Document, the Bank shall have fifteen (15) days for a monetary default and thirty (30) days in the case of any other default, after notice to the Company and the Bank of such default to cure or to cause to be cured the default complained of and the Agency shall accept such performance by or at the instigation of Bank as if same had been done by the Company. The Agency in its sole discretion will determine whether such action by the Bank amounts to a cure.

(e) Except where Bank or its designee or nominee has succeeded to the interest of the Company in the Facility, no liability for any payments to be made pursuant to this Agreement or the performance of any of the Company's covenants and agreements under this Agreement shall attach to or be imposed upon the Bank, and if the Bank or its nominee or designee succeeds to the interest of the Company in the Project, all of the obligations and liabilities of the Bank or its nominee or designee shall be limited to such entity's interest in the Facility and shall cease and terminate upon assignment of this Leaseback Agreement by the Bank; provided however, that the Bank or its nominee or designee shall pay all delinquent PILOT Payments, if any, prior to said assignment.

(g) Notwithstanding any provision of this Leaseback Agreement or any other Company Document to the contrary, foreclosure of a mortgage or any sale of the Company's interest in this Leaseback Agreement and/or the Facility in connection with a foreclosure, whether by judicial proceedings, or any conveyance of the Company's interest in this Agreement and/or the Facility to Bank by virtue of or in lieu of foreclosure or other appropriate proceedings, or any conveyance of the Company's interest in this Leaseback Agreement and/or the Facility by Bank shall not require the consent or approval of the Agency and failure to obtain the Agency's consent shall not be a default or Event of Default hereunder.

**Oneida County Industrial Development Agency Recapture Policy
(Effective April 25, 2017)**

DEFINITIONS:

“Company”	is the entity that applied for and received a benefit from the Agency.
“Agency”	is the Oneida County Industrial Development Agency.
“AER”	is the Company’s annual report of employment required to be provided to the Agency.
“Employment Obligation Term”	shall mean the period during which the Company is receiving a benefit in the form of lower payment in lieu of taxes than their real estate taxes would be.
“Employment Obligation”	shall mean the number of FTEs employed by the Company in Oneida County and selected by the Agency as the Company’s obligation.
“FTE”	shall mean a full time employee that has a minimum of thirty-five (35) scheduled hours per week, or any combination of two or more part-time employees that work a minimum of fifteen (15) scheduled hours per week, when combined together, constitute the equivalent of a minimum of thirty-five (35) scheduled hours per week, and whose workplace location is the project facility. For this purpose an employee shall include a leased employee regularly retained by the Company.
“Benefit”	shall mean the amount the Company saved by making payments in lieu of real property taxes in a particular year. For example, if a Company’s PILOT payment is equal to 75% of normal real property taxes, then the Company’s Benefit for that year would be an amount equal to 25% of normal real property taxes.
“Per Employee Amount”	shall mean an amount equal to the Benefit for the year after the year of the Shortfall divided by the “Employment Obligation”.
“Shortfall”	shall mean the difference between the Employment Obligation and the actual number of FTEs per the AER for the applicable year.
“Major Shortfall”	shall mean having FTEs that are less than 50% of the Employment Obligation.
“Minimum Standard”	shall mean a Company whose AER shows that they are short of meeting its Employment Obligation by 20%.
“Initial Benefit”	shall be the amount of savings the Company received through the Agency, in the form of Mortgage Recording Tax and New York State Sales Tax.
“Cure Period”	shall mean the period ending June 30 th of the year following the Major Shortfall.

1. **Job Creation and Retention Obligations.**

After the expiration of the Employment Obligation Term, the Company shall have no further obligation with respect to the Employment Obligation and shall not be liable for any of the payments described below.

The failure of the Company to satisfy the Employment Obligation can subject the Company to payments to the Agency. The Company shall be required to make payments if it fails to attain the Minimum Standard.

If the Company falls below the Minimum Standard, the Agency will notify the Company in writing of the Agency's intention to recapture Financial Assistance. The Company will have thirty (30) days to respond to the letter and may include a request to appear before the Agency. The Agency will determine, in its sole discretion, if a valid exemption exists and potentially reduce the remedies described below.

2. **Projects with less than Ten Years Employment Obligation Term.**

(a) **Shortfall Payments.**

- (1) If, during the first three (3) years of the Employment Obligation Term a Company fails to achieve the Minimum Standard, then the Company shall pay to the Agency an amount equal to (a) the Per Employee Amount multiplied by (b) the Shortfall and then multiplied by (c) 1.5.
- (2) If, after the first (3) years, of the Employment Obligation Term a Company fails to achieve the Minimum Standard, then the Company shall pay to the Agency an amount equal to (a) the Per Employee Amount multiplied by (b) the Shortfall.

(b) **Major Shortfall Payment.**

- (1) If a Company shall incur a Major Shortfall; then, the Company shall pay to the Agency as an additional one-time payment an amount as set forth in the schedule below (such payment shall be referred to as the "Major Shortfall Payment").

<u>Major Shortfall Occurs:</u>	<u>Percentage of Initial Benefit</u>
Year 1	100%
Year 2	80%
Year 3	60%
Year 4	40%
Any Subsequent Year	20%

- (2) Notwithstanding any of the foregoing, the Company shall not be liable for a Major Shortfall Payment unless the number of FTEs remains at less than 65% of the Employment Obligation at the expiration of a Cure Period. The Company shall have the opportunity at any time before the expiration of a Cure Period to provide additional information to the Agency regarding the Major Shortfall, and to request a waiver or amendment of this provision.

- (3) Notwithstanding any of the foregoing, a Major Shortfall shall not apply where the Shortfall is a result of a major casualty to or condemnation of the facility. In the event of such major casualty or condemnation, the Company shall have no obligation to pay the Major Shortfall Payment.
- (4) Qualification for a waiver of either (2) or (3) above shall be at the sole discretion of the Agency.

3. **Projects with Ten Years or Longer Employment Obligation Term.**

(a) Shortfall Payments.

- (1) If, during the first five (5) years of the Employment Obligation Term a Company fails to achieve the Minimum Standard, then the Company shall pay to the Agency an amount equal to (a) the Per Employee Amount multiplied by (b) the Shortfall and then multiplied by (c) 1.5.
- (2) If, after the first five (5) years of the Employment Obligation Term a Company fails to achieve the Minimum Standard, then the Company shall pay to the Agency an amount equal to (a) the Per Employee Amount multiplied by (b) the Shortfall.

(b) Major Shortfall Payment.

- (1) If a Company shall incur a Major Shortfall, then the Company shall pay to the Agency as an additional one-time payment an amount as set forth in the schedule below.

<u>Major Shortfall Occurs:</u>	<u>Percentage of Initial Benefit</u>
Year 1	100%
Year 2	90%
Year 3	80%
Year 4	70%
Year 5	60%
Year 6	50%
Year 7	45%
Year 8	40%
Year 9	35%
Year 10	30%

- (2) Notwithstanding any of the foregoing, the Company shall not be liable for a Major Shortfall Payment unless the number of FTEs remains at less than 65% of the Employment Obligation at the expiration of a Cure Period. The Company shall have the opportunity at any time before the expiration of a Cure Period to provide additional information to the Agency regarding the Major Shortfall, and to request a waiver or amendment of this provision.
- (3) Notwithstanding any of the foregoing, a Major Shortfall shall not apply where the Shortfall is as a result of a major casualty to or condemnation of the facility. In the event of such major casualty or condemnation, the Company shall have no obligation to pay the Major Shortfall Payment.

- (4) Qualification for a waiver of either (2) or (3) above shall be at the sole discretion of the Agency.

4. **Shift of Employment**. If the Shortfall or Major Shortfall is as a result of the Company shifting employment away from Oneida County, then the Agency will require the value of the Benefit and the Initial Benefit utilized to date to be repaid, with interest (determined as the New York State legal interest rate).

5. **Mandatory Recapture**. The Agency is mandated to recapture New York State sales tax benefits where:

- a. The Project is not entitled to receive those benefits.
- b. The exemptions exceed the amount authorized, or are claimed for unauthorized property or services.
- c. The Company fails to use property or services in the manner required by the Leaseback Agreement.

6. **Return of Recaptured Funds**. If the Agency recaptures Initial Benefits or Benefits from a Company, the Agency shall return the recaptured funds promptly to the affected taxing jurisdiction, unless otherwise agreed to by the taxing jurisdiction, in accordance with the General Municipal Law.

The Agency shall have the right to reduce any payment required under this Policy, in extraordinary circumstances, in its sole discretion.

Oneida County Industrial Development Agency

Insurance Requirements Under Leaseback Agreement

Section 3.4 Insurance Required.

At all times throughout the Lease Term, including, when indicated herein, during the Construction Period, the Company shall, at its sole cost and expense, maintain or cause to be maintained (and cause the Sublessees to maintain, where appropriate) insurance of the following types of coverage and limits of liability with an insurance carrier qualified and admitted to do business in New York State. The Insurance carrier must have at least an A- (excellent) rating by A. M. Best. Company shall pay, as the same become due and payable, all premiums with respect thereto, including, but not necessarily limited to:

(a) **Property Insurance:** Insurance against loss or damage by fire, lightning and other casualties customarily insured against in an all risk policy with special form perils, such insurance to be in an amount not less than the full replacement value of the completed Improvements, exclusive of footings and foundations, as determined by a recognized appraiser or insurer selected by the Company. During the Construction Period, such policy shall be written in the so-called "Builder's Risk Completed Value Non-Reporting Form" and shall contain a provision granting the insured permission to complete and/or occupy.

(b) **Workers' Compensation & Employers Liability Insurance** and **Disability Benefits Insurance** and each other form of insurance that the Company or any permitted sublessee is required by law to provide, covering loss resulting from injury, sickness, disability or death of employees of the Company or any permitted sublessee who are located at or assigned to the Facility. Statutory New York limits shall apply to these policies. This coverage shall be in effect from and after the Completion Date or on such earlier date as any employees of the Company, any permitted sublessee, any contractor or subcontractor first occupy the Facility.

(c) **General Liability Insurance** protecting the Agency, the Company and the owner of the Facility (if the Company is not the owner) against loss or losses from liability imposed by law or assumed in any written contract (including the contractual liability assumed by the Company under Section 5.2 hereof) and arising from personal injury, including bodily injury or death, or damage to the property of others, caused by an accident or occurrence with a limit of liability of not less than \$1,000,000 per occurrence and \$2,000,000 annual aggregate. **Comprehensive Automobile Liability Insurance** including all owned, non-owned and hired autos with a limit of liability of not less than \$1,000,000 (combined single limit or equivalent for personal injury, including bodily injury or death, and property damage) protecting the Agency and the Company against any loss or liability or damage for personal injury, including bodily injury or death, or property damage, and **Umbrella Liability Insurance** of not less than \$5,000,000 per occurrence. This coverage shall also be in effect during the Construction Period.

(d) During the Construction Period (and for at least two years thereafter in the case of Products and Completed Operations as set forth below), the Company shall cause the general contractor to carry liability insurance of the type and providing the minimum limits set forth below:

(i) Workers' compensation & employer's liability and disability benefits insurance both with statutory limits in accordance with applicable law.

- (ii) Comprehensive general liability providing coverage for:
- Premises and Operations
 - Products and Completed Operations
 - Contractual Liability
 - Personal Injury Liability
 - Broad Form Property Damage
(including completed operations)
 - Explosion Hazard
 - Collapse Hazard
 - Underground Property Damage Hazard

Such insurance shall have a limit of liability of not less than \$1,000,000 per occurrence and \$2,000,000 annual aggregate. The annual aggregate shall apply per project. The contractor's general liability policy shall include coverage for the contractor and any of the additional insureds for any operations performed on residential projects including single or multi-family housing, residential condominiums, residential apartments and assisted living facilities.

(iii) Comprehensive auto liability, including all owned, non-owned and hired autos, with a limit of liability of not less than \$1,000,000 (combined single limit for personal injury, including bodily injury or death, and property damage).

(iv) Umbrella Liability with limits of \$5,000,000 per occurrence and \$5,000,000 annual aggregate.

(e) A policy or policies of flood insurance in the maximum amount of flood insurance available with respect to the Facility under the Flood Disaster Protection Act of 1973, as amended, whichever is less. This requirement will be waived upon presentation of evidence satisfactory to the Agency that no portion of the Land is located within an area identified by the U.S. Department of Housing and Urban Development as having special flood hazards.

Section 3.5 Additional Provisions Respecting Insurance.

(a) All insurance required by Section 3.4 hereof shall be procured and maintained in financially sound and generally recognized responsible insurance companies selected by the entity required to procure the same and authorized to write such insurance in the State. Such insurance may be written with deductible amounts comparable to those on similar policies carried by other companies engaged in businesses similar in size, character and other respects to those in which the procuring entity is engaged. All policies evidencing the insurance required by Section 3.4 hereof shall provide for at least thirty (30) day's prior written notice of the restriction, cancellation or modification thereof to the Agency. The policies evidencing the insurance required by Section 3.4(c) hereof shall name the Agency and the owner of the Facility (if the Company is not the owner) as additional insured on a primary & non-contributory basis. All policies evidencing the insurance required by Sections 3.4(d)(ii) (iii) and (iv) shall name as additional insured the Agency, Company and the owner of the Facility (if the Company is not the owner) on a primary and non-contributory basis for the ongoing construction phase and for two years following completion during the completed operations phase. The policies under Section 3.4 (a) shall contain appropriate waivers of subrogation. The policies

under Section 3.4 (b),(c),(d) shall contain waivers of subrogation in favor of the Agency, the Company and the owner of the Facility (if the Company is not the owner).

(b) All policies or certificates (or binders) of insurance required by Sections 3.4 hereof shall be submitted to the Agency on or before the Closing Date. Attached to the certificate of insurance shall be a copy of the additional insured endorsement from the Company's General Liability policy. The Company shall deliver to the Agency before the renewal date of each policy a certificate dated not earlier than the immediately preceding month reciting that there is in full force and effect, with a term covering at least the next succeeding calendar year, insurance of the types and in the amounts required by Section 3.4 hereof and complying with the additional requirements of Section 3.5(a) hereof. Prior to the expiration of each such policy, the Company shall furnish the Agency with evidence that such policy has been renewed or replaced or is no longer required by this Leaseback Agreement. The Company shall provide such further information with respect to the insurance coverage required by this Leaseback Agreement as the Agency may from time to time reasonably require.

Agency shall be named as additional insured as follows:

Oneida County Industrial Development Agency, ISAOA
584 Phoenix Drive
Rome, New York 13441

Anthony J. Picente Jr.
County Executive

Shawna M. Papale
Secretary/
Executive Director

Timothy Fitzgerald
Assistant Secretary

ONEIDA COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

OCIDA



584 Phoenix Drive, Rome, New York 13441-4105
(315) 338-0393, fax (315) 338-5694
info@mvedge.org www.oneidacountyida.org

David C. Grow
Chairman

L. Michael Fitzgerald
Vice Chair

Mary Faith Messenger
Treasurer

Ferris Betrus Jr.
Kirk Hinman
Eugene Quadraro
Stephen Zogby

ONEIDA COUNTY INDUSTRIAL DEVELOPMENT AGENCY UNIFORM TAX EXEMPTION POLICY

**Adopted by the Oneida County Industrial Development Agency on
January 28, 1994, amended on December 21, 1998 and April 30, 2009**

The Oneida County Industrial Development Agency (the "Agency") has adopted the following uniform tax exemption policies. These policies will be used for all projects for which the Agency may provide financial assistance, including bond (taxable and/or tax exempt) issuances and straight lease transactions. Final determinations regarding the extent to which financial assistance, if any, will be granted are solely within the discretion of the Agency.

I. Project Eligibility Criteria

(a) General Requirements

The Agency considers the following general factors in determining whether a project is eligible for financial assistance:

- The nature of the proposed project (e.g., manufacturing, commercial, civic).
- The nature of the property before the project begins (e.g., vacant land, vacant buildings).
- The economic condition of the area at the time of the application.
- The extent to which a project will create or retain permanent, private sector jobs.
- The estimated value of tax exemptions to be provided.
- The impact of the project and the proposed tax exemptions on affected tax jurisdictions.
- The impact of the proposed project on existing and proposed businesses and economic development projects in the County.
- The amount of private sector investment generated or likely to be generated by the proposed project.
- The likelihood of accomplishing the proposed project in a timely fashion.
- The effect of the proposed project upon the environment.

- The extent to which the proposed project will provide additional sources of revenue for municipalities and school districts in which the project is located.
- The extent to which the proposed project will provide a benefit (economic or otherwise) not otherwise available within the County of Oneida.

(b) Industrial and Manufacturing Projects

(1) Industrial and manufacturing projects generally qualify for financial assistance, subject to the eligibility criteria set forth in Part I (a) of this Policy.

(2) Due to the nature of the work, companies performing back-office operations that are regional or national in nature and a majority of which operations support activities outside of Oneida County will qualify as industrial and manufacturing. Research and development facilities and distribution centers that locate in Oneida County may also qualify as industrial and manufacturing.

(c) Retail Projects

The Agency will provide financial assistance to retail facilities only in accordance with the restrictions contained in New York State General Municipal Law Section 862(2), and subject to the eligibility criteria set forth in Part I (a) of this Policy. The Agency will also consider the competitive impact of the project.

Retail projects are generally not eligible for Agency assistance, with the following exceptions:

(i) Retail businesses that primarily serve customers located in Oneida County are generally not eligible for financial assistance unless located in a "highly distressed area" as defined in General Municipal Law §854(18), which includes projects located in an economic development zone or Empire Zone (as defined in New York State statute or regulation), or the project meets one of the other requirements of this paragraph (c);

(ii) Retail projects operated by not-for-profit corporations may be eligible for financial assistance;

(iii) Retail projects may be eligible for financial assistance provided an appropriate market analysis demonstrates that a majority of the project's customers are expected to come from outside of Oneida County and the project will not directly compete with existing businesses located in Oneida County; and

(iv) Retail businesses that primarily provide a product or a service that is otherwise not reasonably available in Oneida County may be eligible for financial assistance.

(d) Other Non-Industrial/Commercial Projects

Non-industrial/commercial projects may qualify for financial assistance at the discretion of the Agency, based upon its evaluation of the eligibility requirements set forth in Part I (a) of this Policy. The Agency confirms the following specific policies:

(i) Mixed or Multiple-Use Projects qualify for financial assistance, only with respect to that portion of the project that is used for purposes that qualify for financial assistance under this Policy.

(ii) Housing projects are generally not eligible for benefits, unless they

(a) service the elderly, low-income, assisted living or other groups with special needs; *or*

(b) promote employment opportunities and prevent economic deterioration, as confirmed by an appropriate market analysis, and such a determination is made by the Agency based upon all of the relevant facts.

II. **Real Property Tax Abatements**

If the Agency determines that a project will receive real property tax abatements, a Payment-In-Lieu-Of-Tax Agreement (the "PILOT") will be negotiated with each project owner (the "Company") and will substantially follow the following guidelines with final determinations to be made by the Agency.

(i) Real Property Acquired by Company as part of Project. If the Company is acquiring real property as part of the Agency project, then the Agency's real property tax exemption will be available with respect to all real property acquired by the Company as part of the project and improvements thereto.

(ii) Substantial Improvements to Existing Real Property Owned by Company. If the Company is making "Substantial Improvements" (as defined below) to existing real property owned by the Company, then the Agency's real property tax exemption will apply to both the existing real property and the improvements.

(iii) Non-Substantial Improvements to Existing Real Property. If the improvements to existing real property owned by the Company are not Substantial Improvements, then the Agency's tax exemption shall apply only to the increase in assessment resulting from improvements constructed or installed as part of the project and the Company shall pay PILOT payments equal to the full amount of taxes on the existing real property.

The term "Substantial Improvements" means the value of the improvements constructed or installed as part of the project equals at least 50% of the value of the real property prior to construction or installation of the improvements, as determined by an independent valuation acceptable to the Agency.

(a) **Industrial and Manufacturing Projects**

The Company shall pay a percentage of the taxes that would otherwise be payable if the project was not tax exempt, to each taxing jurisdiction in which the project is located, as follows:

1. 33 1/3% of such taxes through the fifth (5th) year of the exemption;

2. 66 2/3% of such taxes from the sixth (6th) through tenth (10th) year of the exemption;
3. 100% of such taxes after the tenth (10th) year of the exemption.

(b) Retail Projects

The Company shall pay a percentage of the taxes that would otherwise be payable if the project was not tax exempt, to each taxing jurisdiction in which the project is located, as follows:

1. 50% of such taxes through the second (2nd) year of the exemption;
2. 75% of such taxes from the third (3rd) through the fifth (5th) year of the exemption;
3. 100% of such taxes after the fifth (5th) year of the exemption.

(c) Other Non-Industrial/Commercial Projects

The Company shall pay a percentage of the taxes that would otherwise be payable if the project was not tax exempt, to each taxing jurisdiction in which the project is located, as follows:

1. 50% of such taxes through the second (2nd) year of the exemption.
2. 75% of such taxes from the third (3rd) through fifth (5th) year of the exemption.
3. 100% of such taxes after the fifth (5th) year of the exemption.

The Agency reserves the right to deviate from the real property tax abatement policy on a case by case basis at its sole discretion.

III. Sales Tax Exemptions

If, based on the eligibility criteria described in Part I of this Policy, the Agency determines a project is eligible for financial assistance, the Agency's financial assistance will include exemption from sales and use tax for costs of constructing, renovating and equipping the project.

Sales and use tax exemption, when available, will be authorized for the duration of the acquisition, construction and equipping of the project as described in the application for financial assistance. The Agency shall deliver a sales tax exemption letter which will expire one (1) year from the date of the project inducement. If construction, renovation or equipping is not complete at the expiration of the original sales tax exemption letter, upon request by the Company, the sales tax exemption letter may be extended at the discretion of the Agency.

All Companies receiving sales and use tax exemption benefits will be required to supply the Agency with a list of all contractors and sub-contractors that have been authorized to use the sales tax exemption letter. This list will be appended to the sales tax exemption letter by the Agency.

The Company must keep a record of the usage of the sales tax exemption letter, and must supply the Agency with the total amount of sales and use tax exemptions claimed by the project for each calendar year. The Company must submit this report to the Agency by February 1st of each year, until the exempt period comes to a conclusion. The company shall also file all reports as may be required by applicable law, including Form ST-340 which shall be filed with the New York State Department of Taxation and Finance.

The Agency reserves the right to deviate from the sales tax exemption policy on a case by case basis at its sole discretion.

IV. Mortgage Recording Tax Exemption

If, based on the project eligibility criteria described in Part I of this Policy, the Agency determines a project is eligible for financial assistance, the Agency will provide an exemption from New York State mortgage recording tax for the financing of project costs.

The Agency reserves the right to deviate from the mortgage recording tax exemption policy on a case by case basis at its sole discretion.

V. Recapture

Agency financial assistance is granted based upon the Company's representation that the project will create and/or maintain the employment levels described in its application for financial assistance (the "Employment Obligation"). If a Company fails to achieve and/or maintain its Employment Obligation, it could result in recapture of all or a portion of tax benefits granted by the Agency.

VI. Deviations

Deviations from this Policy shall be infrequent. The Agency reserves the right, at its sole discretion, to deviate from this Policy on a case by case basis. The Agency will provide written notice to the chief executive officer of each affected tax jurisdiction of any deviation from this Policy and will comply with the deviation requirements of the General Municipal Law.

ONEIDA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
COST/BENEFIT ANALYSIS
Required by §859-a(3) of the
New York General Municipal Law

6-Feb-23

Name of Applicant:	Kris Tech
	80 Otis St, Rome
Description of Project:	74-80K SF Expansion
	Construction & equipping
Name of All Sublessees or Other Occupants of Facility:	

Principals or Parent of Applicant: Graham Brodock

Products or Services of Applicant to be produced or carried out at facility: Wire

Estimated Date of Completion of Project: Dec-23

Type of Financing/ Structure:

<input type="checkbox"/>	Tax-Exempt Financing
<input type="checkbox"/>	Taxable Financing
<input checked="" type="checkbox"/>	Sale/ Leaseback
<input type="checkbox"/>	Other

Type of Benefits being Sought by Applicant:

<input type="checkbox"/>	Taxable Financing
<input type="checkbox"/>	Tax-Exempt Bonds
<input checked="" type="checkbox"/>	Sales Tax Exemption on Eligible Expenses Until Completion
<input checked="" type="checkbox"/>	Mortgage Recording Tax Abatement
<input checked="" type="checkbox"/>	Real Property Tax Abatement

Project Costs

Land Acquisition	\$ -
Existing Building(s) ACQUISITION	\$ -
Existing Building(S) RENOVATION	\$ 375,000
NEW Building(s) CONSTRUCTION	\$ 7,455,000
Installation Costs	\$ -
Site Preparation/Parking Lot Construction	\$ 1,160,000
Machinery & Equipment (other than furniture)	\$ 1,900,000
Furniture & Fixtures	\$ 100,000
Architectural & Engineering	\$ 500,000
Legal Fees (applicant, IDA, bank, other counsel)	\$ 10,000
Financial (all costs related to project financing)	\$ 50,000
Permits	\$ -
Other	\$ -
Agency Fee	\$ 53,875
TOTAL COST OF PROJECT	\$ 11,603,875

Assistance Provided by the Following:

EDGE Loan:	
MVEDD Loan:	
Grants - Please indicate source & Amount:	\$ -
Other Loans - Please indicate source & Amount:	

Company Information

		Average Salary of these Positions
Existing Jobs	115	\$ 66,912
Created Jobs FTE (over three years)	5	\$ 75,000
Retained Jobs	115	\$ 66,912

Earnings Information for Oneida County

Average Salary of Direct Jobs for Applicant	\$ 66,912
Average of County Indirect Jobs	\$ 25,000
Average of Construction Jobs	\$ 32,000

Note: \$1,000,000 in construction expenditures generates 15 person - years of employment
Construction Person Years of Employment: **45**

Calculation of Benefits (3 Year Period)

	Total Earnings	Revenues
Direct Jobs		
Created	\$ 1,125,000	\$ 47,813
Existing	\$ 23,084,640	\$ 981,097
Indirect Jobs		
Created	\$ 937,500	\$ 39,844
Existing	\$ 21,562,500	\$ 916,406
Construction - only one year		
Person Years	\$ 1,438,400	\$ 61,132
TOTALS Calculation of Benefits (3 Yr Period)	\$ 48,148,040	\$ 2,046,292

TAXABLE GOODS & SERVICES

		Spending Rate	Expenditures	State & Local Sales Tax Revenues
Direct Jobs	Created	36%	\$ 405,000	\$ 39,488
	Existing	0.36	\$ 8,310,470	\$ 810,271
Indirect Jobs	Created	0.36	\$ 337,500	\$ 32,906
	Existing	0.36	\$ 7,762,500	\$ 756,844
Construction - only one year	Person Years	0.36	\$ 517,824	\$ 50,488
TOTAL TAXABLE GOODS & SERVICES			\$ 17,333,294	\$ 1,689,996

Local (3 year) real property tax benefit (assuming 60% of jobs existing and created own a residence) with an average assessment of \$80,000 and the remainder of jobs existing created pay real property taxes through rent based on an average assessment per apartment of \$50,000.

		Municipality	
Tax Rate for School District where facility is located:	33.953164	Rome	22-23
Tax Rate for Municipality where facility is located:	20.195914	Rome Inner	2022
Tax Rate for County:	10.538131	Oneida	2022
	Total Rate:		
	64.687209		
Real Property Taxes Paid:	\$ 527,848		

COSTS: IDA BENEFITS

Real Property Taxes Abatement	\$ 1,437,672
Mortgage Tax Abated (.75%)	\$ 63,750
Estimated Sales Tax Abated During Construction Period (8.75%)	\$ 420,000
Total:	\$ 1,921,422

NOTE: If there is a tax-exempt financing of all or a portion of the project cost, there is a neutral cost/benefit because of lower interest rates by reason of exclusion of interest from gross income of bondholders for purposes of Federal and State income taxes. Taxable financing carries the same cost/benefit for State Income Tax purposes. Such cost/benefits cannot be quantified.

Short Environmental Assessment Form

Part 1 - Project Information

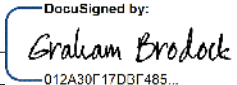
Instructions for Completing

Part 1 – Project Information. The applicant or project sponsor is responsible for the completion of Part 1. Responses become part of the application for approval or funding, are subject to public review, and may be subject to further verification. Complete Part 1 based on information currently available. If additional research or investigation would be needed to fully respond to any item, please answer as thoroughly as possible based on current information.

Complete all items in Part 1. You may also provide any additional information which you believe will be needed by or useful to the lead agency; attach additional pages as necessary to supplement any item.

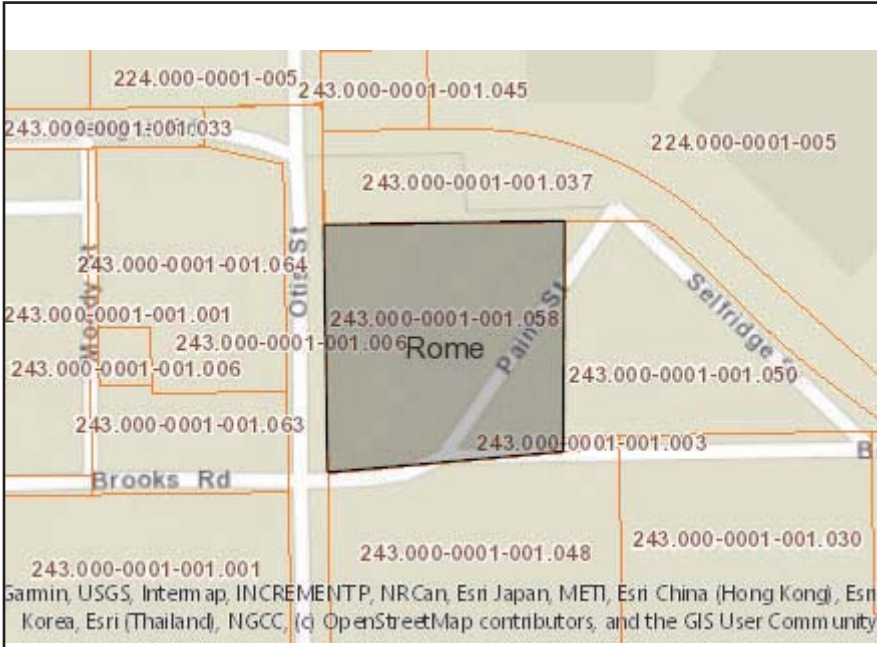
Part 1 – Project and Sponsor Information			
Kris Tech Wire			
Name of Action or Project: Warehouse Building Addition			
Project Location (describe, and attach a location map): 80 Otis St, Rome NY			
Brief Description of Proposed Action: Site plan approval for a +/-75,000-80,000sf warehouse building addition to the existing Kris Tech Wire manufacturing plant. The addition will displace approximately 10 parking spaces, sidewalk and vegetation. Parking spaces will be relocated off site to the North. Underground storm water facilities will be relocated on site and expanded to accommodate additional impervious surfacing. New sidewalks, bicycle parking and landscaping will be added.			
Name of Applicant or Sponsor: Graham Brodock, Kris Tech Wire		Telephone: 315-339-5268	
Address: 80 Otis St		E-Mail: graham@kristechwire.com	
City/PO: Rome		State: NY	Zip Code: 13442
1. Does the proposed action only involve the legislative adoption of a plan, local law, ordinance, administrative rule, or regulation? If Yes, attach a narrative description of the intent of the proposed action and the environmental resources that may be affected in the municipality and proceed to Part 2. If no, continue to question 2.		NO	YES
		<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Does the proposed action require a permit, approval or funding from any other government Agency? If Yes, list agency(s) name and permit or approval: Site plan approval, City of Rome NY; Oneida IDA		NO	YES
		<input type="checkbox"/>	<input checked="" type="checkbox"/>
3. a. Total acreage of the site of the proposed action?		8.03 acres	
b. Total acreage to be physically disturbed?		3Ac +/- acres	
c. Total acreage (project site and any contiguous properties) owned or controlled by the applicant or project sponsor?		12.07 acres	
4. Check all land uses that occur on, are adjoining or near the proposed action:			
5. <input type="checkbox"/> Urban <input type="checkbox"/> Rural (non-agriculture) <input checked="" type="checkbox"/> Industrial <input checked="" type="checkbox"/> Commercial <input type="checkbox"/> Residential (suburban)			
<input type="checkbox"/> Forest <input type="checkbox"/> Agriculture <input type="checkbox"/> Aquatic <input type="checkbox"/> Other(Specify):			
<input type="checkbox"/> Parkland			

5. Is the proposed action,	NO	YES	N/A
a. A permitted use under the zoning regulations?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. Consistent with the adopted comprehensive plan?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
6. Is the proposed action consistent with the predominant character of the existing built or natural landscape?	NO <input type="checkbox"/>	YES <input checked="" type="checkbox"/>	
7. Is the site of the proposed action located in, or does it adjoin, a state listed Critical Environmental Area? If Yes, identify: _____	NO <input checked="" type="checkbox"/>	YES <input type="checkbox"/>	
8. a. Will the proposed action result in a substantial increase in traffic above present levels? b. Are public transportation services available at or near the site of the proposed action? c. Are any pedestrian accommodations or bicycle routes available on or near the site of the proposed action?	NO <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	YES <input type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	
9. Does the proposed action meet or exceed the state energy code requirements? If the proposed action will exceed requirements, describe design features and technologies: _____ _____	NO <input type="checkbox"/>	YES <input checked="" type="checkbox"/>	
10. Will the proposed action connect to an existing public/private water supply? If No, describe method for providing potable water: _____ _____	NO <input type="checkbox"/>	YES <input checked="" type="checkbox"/>	
11. Will the proposed action connect to existing wastewater utilities? If No, describe method for providing wastewater treatment: _____ _____	NO <input type="checkbox"/>	YES <input checked="" type="checkbox"/>	
12. a. Does the project site contain, or is it substantially contiguous to, a building, archaeological site, or district which is listed on the National or State Register of Historic Places, or that has been determined by the Commissioner of the NYS Office of Parks, Recreation and Historic Preservation to be eligible for listing on the State Register of Historic Places? b. Is the project site, or any portion of it, located in or adjacent to an area designated as sensitive for archaeological sites on the NY State Historic Preservation Office (SHPO) archaeological site inventory?	NO <input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	YES <input type="checkbox"/> <input type="checkbox"/>	
13. a. Does any portion of the site of the proposed action, or lands adjoining the proposed action, contain wetlands or other waterbodies regulated by a federal, state or local agency? b. Would the proposed action physically alter, or encroach into, any existing wetland or waterbody? If Yes, identify the wetland or waterbody and extent of alterations in square feet or acres: _____ _____ _____	NO <input checked="" type="checkbox"/> <input type="checkbox"/>	YES <input type="checkbox"/> <input type="checkbox"/>	

14. Identify the typical habitat types that occur on, or are likely to be found on the project site. Check all that apply: <input type="checkbox"/> Shoreline <input type="checkbox"/> Forest <input type="checkbox"/> Agricultural/grasslands <input type="checkbox"/> Early mid-successional <input type="checkbox"/> Wetland <input checked="" type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban		
15. Does the site of the proposed action contain any species of animal, or associated habitats, listed by the State or Federal government as threatened or endangered? Upland Sandpiper : This bird's habitat, grassland and fields, does not exist on this site of maintained lawn and landscape.	NO	YES
	<input type="checkbox"/>	<input checked="" type="checkbox"/>
16. Is the project site located in the 100-year flood plan?	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
17. Will the proposed action create storm water discharge, either from point or non-point sources? If Yes, <ul style="list-style-type: none"> a. Will storm water discharges flow to adjacent properties? b. Will storm water discharges be directed to established conveyance systems (runoff and storm drains)? If Yes, briefly describe: _____ Sto _____	NO	YES
	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input checked="" type="checkbox"/>
18. Does the proposed action include construction or other activities that would result in the impoundment of water or other liquids (e.g., retention pond, waste lagoon, dam)? If Yes, explain the purpose and size of the impoundment: Underground storm water storage will hold and detain water as it infiltrates through the soil. _____	NO	YES
	<input type="checkbox"/>	<input checked="" type="checkbox"/>
19. Has the site of the proposed action or an adjoining property been the location of an active or closed solid waste management facility? If Yes, describe: _____	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
20. Has the site of the proposed action or an adjoining property been the subject of remediation (ongoing or completed) for hazardous waste? If Yes, describe: Environmental Site Remediation database DEC ID# 633006. _____	NO	YES
	<input type="checkbox"/>	<input checked="" type="checkbox"/>
I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND ACCURATE TO THE BEST OF MY KNOWLEDGE		
Applicant/sponsor/name: <u>Graham Brodock</u> Date: <u>12/22/2022</u>		
Signature: <u></u> Title: <u>President</u>		

EAF Mapper Summary Report

Monday, December 19, 2022 5:39 PM



Disclaimer: The EAF Mapper is a screening tool intended to assist project sponsors and reviewing agencies in preparing an environmental assessment form (EAF). Not all questions asked in the EAF are answered by the EAF Mapper. Additional information on any EAF question can be obtained by consulting the EAF Workbooks. Although the EAF Mapper provides the most up-to-date digital data available to DEC, you may also need to contact local or other data sources in order to obtain data not provided by the Mapper. Digital data is not a substitute for agency determinations.



Part 1 / Question 7 [Critical Environmental Area]	No
Part 1 / Question 12a [National or State Register of Historic Places or State Eligible Sites]	No
Part 1 / Question 12b [Archeological Sites]	No
Part 1 / Question 13a [Wetlands or Other Regulated Waterbodies]	No
Part 1 / Question 15 [Threatened or Endangered Animal]	Yes
Part 1 / Question 15 [Threatened or Endangered Animal - Name]	Upland Sandpiper
Part 1 / Question 16 [100 Year Flood Plain]	No
Part 1 / Question 20 [Remediation Site]	Yes

PAYMENT IN LIEU OF TAX BENEFIT VALUE CALCULATOR

To be used as guidance to calculate the PILOT Benefit value on Page 9 of application. Rates and assessments are for example only.

Information on Real Property Proposed For PILOT		Kris-Tech 2023 Expansion	
Est. Increase Assessment in 1,000s	\$ 4,000	Provide	

Tax Rates Per 1k of Assessment at time of application*	Full Payment	Rate Year	Muni	
Oneida County	\$ 10,538.131	\$ 42,153	23	Oneida (Provide)
City or Township**	\$ 20,195.914	\$ 80,784	23	Rome (Provide)
Village**	\$ -	\$ -		(Provide)
School District	\$ 34,706.54492	\$ 138,826	22-23	Rome (Provide)
Total	\$ 65.44	\$ 261,762		

*Do not include Special District Tax Rates **Verify equalization rates with jurisdiction for parity with other jurisdictions
Annual rate increase factor of 2% is used in calculator

PILOT VALUE CALCULATOR VALUES	ESTIMATED PAYMENTS					PROPOSED
	Full	485-b	IDA-Comm	IDA-Industrial	OTHER	
Year 1 Payment	\$ 66.75	\$ 266,998	\$ 133,499	\$ 133,499	\$ 88,999	
Year 2 Payment	\$ 68.08	\$ 272,338	\$ 149,786	\$ 136,169	\$ 90,779	
Year 3 Payment	\$ 69.45	\$ 277,784	\$ 166,671	\$ 208,338	\$ 92,595	
Year 4 Payment	\$ 70.83	\$ 283,340	\$ 184,171	\$ 212,505	\$ 94,447	
Year 5 Payment	\$ 72.25	\$ 289,007	\$ 202,305	\$ 216,755	\$ 96,336	
Year 6 Payment	\$ 73.70	\$ 294,787	\$ 221,090	\$ 294,787	\$ 196,525	
Year 7 Payment	\$ 75.17	\$ 300,683	\$ 240,546	\$ 300,683	\$ 200,455	
Year 8 Payment	\$ 76.67	\$ 306,696	\$ 260,692	\$ 306,696	\$ 204,464	
Year 9 Payment	\$ 78.21	\$ 312,830	\$ 281,547	\$ 312,830	\$ 208,554	
Year 10 Payment	\$ 79.77	\$ 319,087	\$ 303,133	\$ 319,087	\$ 212,725	
Total Due:		\$ 2,923,549	\$ 2,143,439	\$ 2,441,349	\$ 1,485,877	\$ 1,437,672

Est PILOT Value **\$ 1,437,672**

Abatement Percentages	Full	485-b	IDA-Comm	IDA-Industrial	OTHER
Year 1		50	50	66.66666	
Year 2		45	50	66.66666	
Year 3		40	25	66.66666	
Year 4		35	25	66.66666	
Year 5		30	25	66.66666	
Year 6		25		33.33333	
Year 7		20		33.33333	
Year 8		15		33.33333	
Year 9		10		33.33333	
Year 10		5		33.33333	

**Inducement Resolution
Kris-Tech Wire Company, Inc. Facility**

RESOLUTION OF THE ONEIDA COUNTY INDUSTRIAL DEVELOPMENT AGENCY TAKING OFFICIAL ACTION TOWARD APPOINTING KRIS-TECH WIRE COMPANY, INC., THE PRINCIPALS OF KRIS-TECH WIRE COMPANY, INC., AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF ANY OF THE FOREGOING AS AGENT OF THE AGENCY IN CONNECTION WITH AN AMENDED LEASE-LEASEBACK TRANSACTION, GRANTING PRELIMINARY APPROVAL FOR FINANCIAL ASSISTANCE, AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDUCEMENT AGREEMENT, AUTHORIZING THE AGENCY TO CONDUCT A PUBLIC HEARING AND MAKING CERTAIN FINDINGS AND DETERMINATIONS WITH RESPECT TO THE PROJECT.

WHEREAS, Kris-Tech Wire Company, Inc., on behalf of itself and/or the principals of Kris-Tech Wire Company, Inc., and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "Company") previously entered into transactions with the Oneida County Industrial Development Agency (the "Agency") in which the Agency provided financial assistance in connection with construction of (a) a 45,000± square foot manufacturing facility; (b) a 22,000± square foot addition to the manufacturing facility; and (c) a 3,000± square foot addition to the manufacturing facility (collectively, the "Existing Improvements"), all situated on an 8.040± acre parcel of land located at 80 Otis Street in the Griffiss Business and Technology Park, City of Rome (the "Existing Land"); and (d) acquisition and installation of equipment in the Existing Improvements (collectively, the "Existing Equipment"), all to be used for the manufacturing of bare and insulated copper wire products (the Existing Land, the Existing Improvements and the Existing Equipment referred to collectively as the "Existing Facility"); and

WHEREAS, the Company leases the Existing Facility to the Agency pursuant to a Lease Agreement dated as of November 1, 2015 (the "Lease Agreement"); and

WHEREAS, the Agency leases the Existing Facility back to the Company pursuant to a Leaseback Agreement dated as of November 1, 2015 as amended on November 1, 2016 and May 23, 2019 (collectively, the "Leaseback Agreement"); and

WHEREAS, the Agency and the Company are party to a Second Amended and Restated PILOT Agreement dated as of May 23, 2019 (the "PILOT Agreement") with respect to the Existing Facility; and

WHEREAS, the Company has applied to the Agency to enter into a transaction in which the Agency will assist in (a) acquisition of a 3.98± acre parcel of land adjacent to the Existing Land, to be consolidated into the Existing Land (the "Land") (b) construction of a 75,000± square foot addition to the Existing Improvements and all infrastructure and utilities to service the same (the "Addition"); (c) renovations to the Existing Improvements; and (d) acquisition and installation of equipment in the Addition and Existing Improvements (the "Equipment"), all for the purpose of expanding the capabilities of the Existing Facility and enabling the manufacturing of critical supply chain components for energy and infrastructure projects across New York State and the United States (the Land, the Addition and the Equipment are referred to collectively as the "2023 Facility" and the construction and equipping of the Addition and renovation and equipping of the Existing Improvements is referred to as the "2023 Project"); and

WHEREAS, the Company and the Agency will amend the Lease Agreement and the Leaseback Agreement to add and include the 2023 Facility and the 2023 Project, and to extend the Lease Term (as said term is defined in the Leaseback Agreement); and

WHEREAS, the Act authorizes and empowers the Agency to promote, develop, encourage and assist projects such as the Facility and to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York; and

WHEREAS, the Agency contemplates that it will provide financial assistance to the Company in connection with the 2023 Project in the form of exemptions from sales and use taxes, exemptions from mortgage recording taxes, and reduction in real property taxes for a period of ten years on the increased assessment resulting from the 2023 Project (the "Financial Assistance"), which financial assistance is consistent with the Agency's Uniform Tax Exemption Policy, and which will be more particularly set forth in a final authorizing resolution; and

WHEREAS, based upon representations made by the Company in the Application, the value of the Financial Assistance is described as follows:

- Sales and use tax exemption not to exceed \$420,000.00
- Mortgage recording tax exemption not to exceed \$63,750.00
- Reduction of real property taxes, valued at approximately \$1,437,672

WHEREAS, the Company is currently obligated to maintain at least 68 FTEs at the Facility (the “2019 Employment Obligation”) or else be subject to recapture or termination of financial assistance relating to the Existing Facility; and

WHEREAS, the Company currently employs 115 FTEs at the Existing Facility and has committed to retain said 115 FTEs for the extended lease term and create an additional 5 FTEs at the Facility by the end of the third extended lease year as a result of the 2023 Project, and the Agency will condition the proposed Financial Assistance on the Company achieving the same (the “2023 Employment Obligation”), or else be subject to recapture or termination of Financial Assistance relating to the 2023 Project; and

WHEREAS, prior to the closing of an amended lease-leaseback transaction, and the granting of any Financial Assistance, a public hearing (the “Hearing”) will be held so that all persons with views in favor of or opposed to either the Financial Assistance contemplated by the Agency, or the location or nature of the 2023 Facility, can be heard; and

WHEREAS, notice of the Hearing will be given prior to the closing of an amended lease-leaseback transaction, and the granting of any Financial Assistance, and such notice (together with proof of publication) will be substantially in the form annexed hereto as **Exhibit A**; and

WHEREAS, the minutes of the Hearing are or will be annexed hereto as **Exhibit B**; and

WHEREAS, the Agency has given due consideration to the application of the Company and to representations by the Company that the proposed amended lease-leaseback transaction is either an inducement to the Company to maintain and expand the Facility in the County or is necessary to maintain the competitive position of the Company in its industry; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively, the “SEQR Act” or “SEQRA”), the Agency constitutes a “State Agency”; and

WHEREAS, to aid the Agency in determining whether the 2023 Facility may have a significant effect upon the environment, the Company has prepared and submitted to the Agency an Environmental Assessment Form and related documents (the “Questionnaire”) with respect to the 2023 Facility, a copy of which is on file at the office of the Agency; and

WHEREAS, prior to the granting of any Financial Assistance and following the determination of the lead agency, the Agency will complete its environmental review and make determinations for purposes of SEQRA.

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

Section 1. (a) The 2023 Project and the Agency's Financial Assistance therefor, will promote job opportunities, health, general prosperity and the economic welfare of the inhabitants of the County and the people of the State of New York and improve their standard of living, and thereby serve the public purposes of the Act and the same is, therefore, approved.

(b) It is desirable and in the public interest for the Agency to enter into an amended lease-leaseback transaction for the purpose of providing financial assistance for the 2023 Project, as reflected in the Company's application to the Agency and as amended from time to time prior to the closing of the amended lease-leaseback transaction.

Section 2. The form and substance of a proposed inducement agreement (in substantially the form presented to this meeting) by and between the Agency and the Company setting forth the undertakings of the Agency and the Company with respect to the closing of the amended lease-leaseback transaction, and the completion of the 2023 Facility (the "Agreement") is hereby approved. The Chairman of the Agency is hereby authorized, on behalf of the Agency, to execute and deliver the Agreement, with such changes in terms and form as the Chairman shall approve. The execution thereof by the Chairman shall constitute conclusive evidence of such approval.

Section 3. The Agency shall assist the Company in the 2023 Project and will provide the Financial Assistance with respect thereto subject to (i) obtaining all necessary governmental approvals, (ii) approval of the directors of the Company, (iii) approval of the members of the Agency, (iv) satisfactory completion of the environmental review of the Facility by the Agency in compliance with the State Environmental Quality Review Act, (v) agreement by the Agency and the Company upon mutually acceptable terms and conditions for the amendment to the Leaseback Agreement and other documentation usual and customary to transactions of this nature,

(vi) the condition that there are no changes in New York State Law which prohibit or limit the Agency from fulfilling its obligation and commitment as herein set forth to enter into the amended lease-leaseback transaction and (vii) payment by the Company of the Agency's transaction fee and the fees and disbursements of transaction counsel, more particularly described in the Inducement Agreement.

Section 4.

The Company is herewith and hereby appointed the agent of the Agency to construct, renovate, equip and complete the 2023 Facility. The Company is hereby empowered to delegate its status as agent of the Agency to the agents, subagents, contractors, subcontractors, materialmen, suppliers, vendors and such other parties as the Company may choose in order to construct, renovate, equip and complete the 2023 Facility. The terms and conditions for the appointment of the Company as agent of the Agency for the purposes described in this resolution are set forth in the form of the attached letter addressed to the Company, marked as **Exhibit C** to this resolution. The form of such letter is incorporated herein by reference and is approved and adopted by the Agency, and the Chairman or Executive Director of the Agency or any other duly authorized official of the Agency are authorized to execute and deliver such letter to the Company upon satisfaction of the conditions described in Section 3 hereof. The Agency hereby appoints the Company, the agents, subagents, contractors, subcontractors, materialmen, vendors and suppliers of the Company as agents of the Agency solely for purposes of making sales or leases of goods, services, and supplies to the 2023 Facility, and any such transaction between any agent, subagent, contractor, subcontractor, materialmen, vendor or supplier, and the Company, as agent of the Agency shall be deemed to be on behalf of the Agency and for the benefit of the 2023 Facility. The Company shall indemnify the Agency with respect to any transaction of any kind between and among the Company, the agents, subagents, contractors, subcontractors, materialmen, vendors and/or suppliers and the Company, as agent of the Agency.

Section 5.

The Agency is hereby authorized and directed to schedule the Hearing, so that the Agency may receive comments from all interested parties on the financial assistance contemplated by the Agency and the Financial Assistance requested by the Company.

Section 6. The law firm of Bond, Schoeneck & King, PLLC is appointed Transaction Counsel in connection with the amended lease-leaseback transaction.

Section 7. Counsel to the Agency and Transaction Counsel are hereby authorized to work with counsel to the Company and others to prepare, for submission to the Agency, all documents necessary to effect the amended lease-leaseback transaction.

Section 8. The Chairman of the Agency is hereby authorized and directed (i) to distribute copies of this resolution to the Company; (ii) distribute copies of this resolution by certified mail, return receipt requested, to the Oneida County Executive, the City of Rome Mayor, the Rome City School District Superintendent and the Rome City School District President of Board of Education and (iii) to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this resolution.

Section 9. 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 DO HEREBY CERTIFY THAT:

I have compared the foregoing copy of a resolution of the Oneida County Industrial Development Agency (the "Agency"), with the original thereof on file in the office of the Agency, and that the same is a true and correct copy of such resolution and of the proceedings of the Agency in connection with such matter.

Such resolution was passed at a meeting of the Agency duly convened in public session on February 10, 2023 at eight a.m., local time, at Rome, New York which the following members were:

Members Present:

EDGE Staff Present:

Other Attendees:

The question of the adoption of the foregoing resolution was duly put to vote, which resulted as follows:

Voting Aye

Voting Nay

and, therefore, the resolution was declared duly adopted.

The Agreement and the Application are in substantially the form presented to and approved at such meeting.

I FURTHER CERTIFY that (i) all members of the Agency had due notice of said meeting, (ii) the meeting was open for the public to attend and public notice of the date, time and location for the meeting was duly given, (iii) the meeting in all respects was duly held, and (iv) there was a quorum present throughout the meeting.

IN WITNESS WHEREOF, I have hereunto set my hand on February 10, 2023.

Shawna Papale, Secretary

EXHIBIT A

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 Oneida County Industrial Development Agency (the "Agency") on the ____ day of February 2023 at ____ a.m., local time, at 584 Phoenix Drive, Rome, New York in connection with the following matters:

Kris-Tech Wire Company, Inc., on behalf of itself and/or the principals of Kris-Tech Wire Company, Inc., and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "Company") previously entered into transactions with the Oneida County Industrial Development Agency (the "Agency") in which the Agency provided financial assistance in connection with construction of (a) a 45,000± square foot manufacturing facility; (b) a 22,000± square foot addition to the manufacturing facility; and (c) a 3,000± square foot addition to the manufacturing facility (collectively, the "Existing Improvements"), all situated on an 8.040± acre parcel of land located at 80 Otis Street in the Griffiss Business and Technology Park, City of Rome (the "Existing Land"); and (d) acquisition and installation of equipment in the Existing Improvements (collectively, the "Existing Equipment"), all to be used for the manufacturing of bare and insulated copper wire products (the Existing Land, the Existing Improvements and the Existing Equipment referred to collectively as the "Existing Facility").

The Company has applied to the Agency to enter into a transaction in which the Agency will assist in (a) acquisition of a 3.98± acre parcel of land adjacent to the Existing Land, to be consolidated into the Existing Land (the "Land") (b) construction of a 75,000± square foot addition to the Existing Improvements and all infrastructure and utilities to service the same (the "Addition"); (c) renovations to the Existing Improvements; and (d) acquisition and installation of equipment in the Addition and Existing Improvements (the "Equipment"), all for the purpose of expanding the capabilities of the Existing Facility and enabling the manufacturing of critical supply chain components for energy and infrastructure projects across New York State and the United States (the Land, the Addition and the Equipment are referred to collectively as the "2023 Facility" and the construction and equipping of the Addition and renovation and equipping of the Existing Improvements is referred to as the "2023 Project").

The Company leases the Existing Facility to the Agency pursuant to a lease agreement, and the Agency leases the Existing Facility back to the Company pursuant to a leaseback agreement (collectively, the "Existing Leases"). The Company makes fixed PILOT Payments with respect to the Existing Facility pursuant to a Second Amended and Restated PILOT Agreement (the "Existing PILOT"). The Company and the Agency will amend the Existing Leases to extend the lease term and to add the 2023 Facility and the 2023 Project and enter into an agreement to make provisions for PILOT Payments with respect to the 2023 Facility. At the end of the lease term, the Agency will terminate its leasehold interest in the

Facility. The Agency is contemplating providing financial assistance in the form of reduction of real property taxes on the increased assessment resulting from the 2023 Project for a period of ten years, exemptions from mortgage recording taxes, and exemptions from sales tax on materials and equipment acquired and installed in connection with the 2023 Project, which financial assistance is consistent with the Agency's Uniform Tax Exemption Policy, to be more particularly described in a Final Authorizing Resolution to be adopted by the Agency prior to the closing of the transactions described herein.

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. Members of the public may listen to the Public Hearing by calling 1-408-418-9388 (Access code: _____). Comments may also be submitted to the Agency in writing or electronically. Minutes of the Public Hearing will be transcribed and posted on the Agency's website. 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 Project, is available for public inspection at the offices of the Agency, 584 Phoenix Drive, Rome, New York.

ONEIDA COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

Dated: February ____, 2023

By: /s/ Shawna M. Papale, Executive Director

EXHIBIT B

MINUTES OF PUBLIC HEARING

Oneida County Industrial Development Agency
2023 Facility Expansion Project
Kris-Tech Wire Company, Inc. Facility

1. Timothy Fitzgerald, representing the Oneida County Industrial Development Agency (the "Agency"), called the hearing to order at _____ a.m.
2. Mr. Fitzgerald being the Assistant Secretary of the Agency recorded the minutes of the hearing.
3. Mr. Fitzgerald then described the proposed project and related financial assistance as follows:

Kris-Tech Wire Company, Inc., on behalf of itself and/or the principals of Kris-Tech Wire Company, Inc., and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "Company") previously entered into transactions with the Oneida County Industrial Development Agency (the "Agency") in which the Agency provided financial assistance in connection with construction of (a) a 45,000± square foot manufacturing facility; (b) a 22,000± square foot addition to the manufacturing facility; and (c) a 3,000± square foot addition to the manufacturing facility (collectively, the "Existing Improvements"), all situated on an 8.040± acre parcel of land located at 80 Otis Street in the Griffiss Business and Technology Park, City of Rome (the "Land"); and (d) acquisition and installation of equipment in the Existing Improvements (collectively, the "Existing Equipment"), all to be used for the manufacturing of bare and insulated copper wire products (the Land, the Existing Improvements and the Existing Equipment referred to collectively as the "Existing Facility").

The Company has applied to the Agency to enter into a transaction in which the Agency will assist in (a) acquisition of a 3.98± acre parcel of land adjacent to the Existing Land, to be consolidated into the Existing Land (the "Land") (b) construction of a 75,000± square foot addition to the Existing Improvements and all infrastructure and utilities to service the same (the "Addition"); (c) renovations to the Existing Improvements; and (d) acquisition and installation of equipment in the Addition and Existing Improvements (the "Equipment"), all for the purpose of expanding the capabilities of the Existing Facility and enabling the manufacturing of critical supply chain components for

energy and infrastructure projects across New York State and the United States (the Land, the Addition and the Equipment are referred to collectively as the “2023 Facility” and the construction and equipping of the Addition and renovation and equipping of the Existing Improvements is referred to as the “2023 Project”).

The Company leases the Existing Facility to the Agency pursuant to a lease agreement, and the Agency leases the Existing Facility back to the Company pursuant to a leaseback agreement (collectively, the “Existing Leases”). The Company makes fixed PILOT Payments with respect to the Existing Facility pursuant to a Second Amended and Restated PILOT Agreement (the “Existing PILOT”). The Company and the Agency will amend the Existing Leases to extend the lease term and to add the 2023 Facility and the 2023 Project and enter into an agreement to make provisions for PILOT Payments with respect to the 2023 Facility. At the end of the lease term, the Agency will terminate its leasehold interest in the Facility. The Agency is contemplating providing financial assistance in the form of reduction of real property taxes on the increased assessment resulting from the 2023 Project for a period of ten years, exemptions from mortgage recording taxes, and exemptions from sales tax on materials and equipment acquired and installed in connection with the 2023 Project, which financial assistance is consistent with the Agency’s Uniform Tax Exemption Policy, to be more particularly described in a Final Authorizing Resolution to be adopted by the Agency prior to the closing of the transactions described herein.

4. Mr. Fitzgerald then opened up the hearing for comments from the floor for or against the proposed financial assistance and the location and nature of the Facility. Attached is a listing of the persons heard and a summary of their views.
5. Mr. Fitzgerald then asked if there were any further comments, and, there being none, the hearing was closed at _____ a.m.

Tim Fitzgerald, Assistant Secretary

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

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

That I have compared the foregoing copy of the minutes of a public hearing held by the Oneida County Industrial Development Agency (the "Agency") on February __, 2023 at _____ a.m. local time, 584 Phoenix Drive, City of Rome, New York, with the original thereof on file in the office of the Agency, and that the same is a true and correct copy of the minutes in connection with such matter.

I FURTHER CERTIFY that (i) the hearing was open for the public to attend and public notice of the date, time and location for said hearing was duly given, (ii) the hearing in all respects was duly held, and (iii) members of the public had an opportunity to be heard.

IN WITNESS WHEREOF, I have hereunto set my hand as of _____, 2023.

Secretary

EXHIBIT C

[To be printed on IDA letterhead and delivered to the Company when appropriate]

_____, 2022

Kris-Tech Wire Company, Inc.
80 Otis Street
Rome, New York 13342

RE: *Oneida County Industrial Development Agency Lease-Leaseback Transaction
Kris-Tech Wire Company, Inc. 2023 Facility Expansion*

Ladies and Gentlemen:

Kris-Tech Wire Company, Inc., on behalf of itself and/or the principals of Kris-Tech Wire Company, Inc., and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “Company”) previously entered into transactions with the Oneida County Industrial Development Agency (the “Agency”) in which the Agency provided financial assistance in connection with construction of (a) a 45,000± square foot manufacturing facility; (b) a 22,000± square foot addition to the manufacturing facility; and (c) a 3,000± square foot addition to the manufacturing facility (collectively, the “Existing Improvements”), all situated on an 8.040± acre parcel of land located at 80 Otis Street in the Griffiss Business and Technology Park, City of Rome (the “Existing Land”); and (d) acquisition and installation of equipment in the Existing Improvements (collectively, the “Existing Equipment”), all to be used for the manufacturing of bare and insulated copper wire products (the Existing Land, the Existing Improvements and the Existing Equipment referred to collectively as the “Existing Facility”).

Pursuant to a resolution duly adopted on February 10, 2023, the Agency appointed the Company its agent in connection with a transaction in which the Agency will assist in (a) acquisition of a 3.98± acre parcel of land adjacent to the Existing Land, to be consolidated into the Existing Land (the “Land”) (b) construction of a 75,000±

square foot addition to the Existing Improvements and all infrastructure and utilities to service the same (the "Addition"); (c) renovations to the Existing Improvements; and (d) acquisition and installation of equipment in the Addition and Existing Improvements (the "Equipment"), all for the purpose of expanding the capabilities of the Existing Facility and enabling the manufacturing of critical supply chain components for energy and infrastructure projects across New York State and the United States (the Land, the Addition and the Equipment are referred to collectively as the "2023 Facility" and the construction and equipping of the Addition and renovation and equipping of the Existing Improvements is referred to as the "2023 Project").

This appointment includes authority to purchase on behalf of the Agency all materials to be incorporated into and made an integral part of the 2023 Facility, and the following activities as they relate to any construction, renovation, equipping and completion of any buildings, whether or not any materials, equipment or supplies described below are incorporated into or become an integral part of such buildings: (i) all purchases, leases, rentals and other uses of tools, machinery and equipment in connection with construction, renovation and equipping (ii) all purchases, rentals, uses or consumption of supplies, materials and services of every kind and description used in connection with construction, renovation and equipping and (iii) all purchases, leases, rentals and uses of equipment, machinery, and other tangible personal property (including installation costs), installed or placed in, upon or under such building, including all repairs and replacements of such property.

The Agency will appoint the Company as its only direct agent for the 2023 Project. The agency appointment includes the power of the Company to delegate such agency appointment, in whole or in part, to agents, subagents, contractors, subcontractors, materialmen, suppliers and vendors of the Company and to such other parties as the Company chooses so long as they are engaged, directly or indirectly, in the activities hereinbefore described. Please advise the Executive Director of the Agency if you wish to appoint a contractor or other subagent, and the Agency will issue an ST-60 to that party.

In exercising this agency appointment, you and each of your properly appointed agents and subagents must claim the sales tax exemption for all purchases by giving your vendors New York State Form ST-123. The supplier or vendor should identify the 2023 Facility on each bill or invoice as the "**Kris-Tech Wire Company, Inc. 2023 Facility**" and indicate thereon that the Company, its agents, subagents, contractors and subcontractors acted as agent for the Agency in making the purchase.

You and each of your agents, subagents, contractors and/or subcontractors claiming a sales tax exemption in connection with the 2023 Facility must complete a New York State Department of Taxation and Finance Form ST-60. Original copies of each completed Form ST-60 must be delivered to the Agency within five (5) days of the appointment of each of your agents, subagents, contractors or subcontractors.

Any agent, subagent, contractor or subcontractors of the Company which delivers completed Form ST-60 to the Agency will be deemed to be the agent, subagent, contractor or subcontractor of the Agency for purposes of constructing, renovating and equipping the 2023 Facility, and shall only then be authorized to use Form ST-123 as described above. Failure to comply with these requirements may result in loss of sales tax exemptions for the 2023 Facility.

It is important to note that contractors and subcontractors who have not been appointed subagent cannot use the sales tax exemption for equipment rental, tools, supplies and other items that do not become part of the finished project. Contractors and subcontractors must be appointed as agent or sub-agent of the Agency to use the Agency sales tax exemption for these purchases. Contractors and subcontractors who have not been appointed a subagent and are making purchases that would otherwise be exempt outside of the Agency's interest in the 2023 Facility must claim the sales tax exemption for construction materials by giving their vendors a completed "Contractor Exempt Purchase Certificate" (Form ST-120.1) checking box (a).

The aforesaid appointment of the Company as agent of the Agency to construct and equip the Facility shall expire at the earlier of (a) the completion of such activities and improvements, or (b) February 10, 2024, provided, however, such appointment may be extended at the discretion of the Agency, upon the written request of the Company if such activities and improvements are not completed by such time, and further provided that the Agency shall not unreasonably withhold its consent to the extension of such appointment.

Based upon representations made by the Company and the Company, the value of the sales tax to be abated relating to the construction, renovation and equipping of the 2023 Facility is estimated at \$437,500.00. The Agency is required by law to recapture any New York State sales tax exemptions claimed by the Company that exceed (a) \$100,000 for purchases made between the date of project inducement and the date of the public hearing and (b) \$437,500.00 for purchases made relating to the 2023 Project in the aggregate.

You should be aware that the New York State General Municipal Law requires you to file an Annual Statement (Form ST-340) with the New York State Department of Taxation and Finance regarding the value of sales tax exemptions you, your agents, consultants or subcontractors have claimed pursuant to the authority we have conferred on you with respect to the Project. We are providing a form of a worksheet for you to track all exempt purchases made in completing the Project, using Forms ST-123 or Form ST-120.1. Please provide the Agency with a copy of Form ST-340 along with your annual report to the Agency and this worksheet. The penalty for failure to file such statement, or to provide a copy to the Agency, is the removal of your authority to act as an agent.

If, for some reason, this transaction never closes, you will be liable for payment of the sales tax, if applicable and you are not otherwise exempt, on all materials purchased.

Please sign and return a copy of this letter for our files. The Agency will issue and deliver Form ST-60 to you upon receipt of this signed agency appointment letter. The Agency reserves the right to issue a revised agency appointment letter with respect to the process for utilizing and reporting exemptions hereunder.

Very truly yours,

ONEIDA COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

By: _____
Name:
Title:

ACCEPTED & AGREED:

KRIS-TECH WIRE COMPANY, INC.

By: _____
Name:
Title:

MEMO TO: Oneida County Industrial Development Agency
FROM: Shawna Papale
DATE: February 6, 2023
CC: OCIDA Finance Committee
RE: OCIDA Website

Oneida County Industrial Development Agency is subject to online posting requirements per Authorities Budget Office guidance issued in 2021.

The IDA is obligated to post numerous documents that are outlined in the ABO memo. The requirement to post active projects documents is the most time consuming, but it is only one of many obligations to post documents online. The law requires that the IDA post the following documents for all active projects and they remain on the website for five years after expiration/termination:

1. Applications and all amendments;
2. All resolutions adopted pertaining to the project;
3. Inducement/Project Agreement;
4. PILOT Agreement (if applicable).

The law endorses transparency and notes that all documents should be reasonably easy to find. The IDA has hundreds of active projects and compliance will be a significant undertaking. The IDA's existing website is currently hosted and maintained by Quadsimia, which absorbed MVINTECH the Agency's website management firm. To date, staff has been pleased with the reliability and professionalism Quadsimia has shown.

Staff contacted Quadsimia regarding the IDA's new website needs, and the firm returned a three-tiered proposal involving varying levels of effort. In 2019, EDGE went through a competitive bidding process for its website redesign and hosting. At the time, the staff person tasked with procurement was impressed with the quality Quadsimia offered. The same staff person reviewed the current proposal and agreed that the costs and timeline were reasonable.

Staff recommends selecting Option 1 which includes a one-time cost of \$8,000 and a recurring cost of \$480/year for website hosting.

ABO Guidance and Quadsimia's proposal are attached to this memo.

Authorities Budget Office Policy Guidance



No. 21-01

Date Issued: March 10, 2021

Supersedes: 19-01

Subject: Posting and Maintaining Reports on Public Authority Websites

Statutory Citation: Various Sections of New York State Law

Provisions: Public Authorities Law, as amended in 2005 by the Public Authorities Accountability Act, requires state and local authorities to file specific financial and budgetary information with the ABO, as well as to report property transactions, debt issuances, and other information on their operations. Public authorities have been submitting these reports through the Public Authorities Reporting Information System (PARIS) and, to the extent practicable, posting the information on their official websites. Information to be accessible on the authority's website was to include its mission and current activities, its most recent annual financial reports, current year budget, its most recent independent audit report, and its investment and procurement guidelines.

The Public Authorities Reform Act of 2009 (Chapter 506) amended the 2005 law to require additional information be reported to the ABO and that all public authorities have an official website or post the information on a shared website. The ABO also issued regulation, 19 NYCRR 250, that requires industrial development agencies (IDAs) to post certain information on their website. This regulation is an enhancement upon the existing requirements set forth under Article 18-A Title 1 of General Municipal Law (GML) concerning IDA projects. In addition, GML, PAL and Public Officers Law outline requirements for public authorities to video record open meetings, which includes broadcasting the meeting on the authority's website in real-time and posted for future access.

Authorities Budget Office Policy Guidance: The Authorities Budget Office (ABO) is committed to the principles of public disclosure and the transparent reporting of public authority financial and management information. Public authorities are to make specific information available to the public through their own or shared website.

To assist public authorities to meet their disclosure and reporting obligations, the ABO has developed the attached checklist of policies, reports and authority information that public authorities must post and maintain on their website.

This information is to be made available in a manner that enables the public to easily find and navigate through it. The failure to post this information on the website and maintain its accuracy will be considered an act of non-compliance with state law and

subject the authority to the sanctions and enforcement powers provided to the ABO by statute. If an authority does not have the resources to create and maintain its own website, it should work with its municipality to create a web page on the municipality's website.

Procedures for Retaining and Maintaining Information on Websites: The ABO routinely checks authority websites to monitor compliance. Therefore, the ABO recommends referring to the attached checklist for guidance. As a general rule, information that is likely to remain static should be permanently posted to the website but updated as necessary. At least two years of budget, financial and operating information should also be available on the website.

Public authorities should also consider the following when posting and maintaining documents to their websites:

- Public authorities should monitor and regularly update its website, which includes ensuring all links function properly.
- The information provided must be accurate and complete.
- Individuals should be able to navigate through the website with ease and have little difficulty finding the desired information and documents.
- All documents should be prepared using common terminology that facilitates a better understanding of the content.

Policies for the Retention of Records: New York State has adopted rules and regulations that govern the retention and disposition of records. These rules require that, even after removing a record from its website, a public authority must retain copies of all records, whether electronic or hard copy, for the stipulated time periods outlined in the schedules prepared by the State Archives. (Please refer to: <http://www.archives.nysed.gov/records/retention-schedules>).

To ensure compliance with the policies of the New York State Archives, the ABO recommends that public authorities establish a records management program to promote efficient administration and management of the Authority's records. This involves maintenance, retention, and storage of official records based on their legal and administrative value to the authority. A record retention program would require public authorities to:

- Develop a records retention and disposition policy and ensure compliance by all staff.
- Ensure that authority records are maintained and disposed in compliance with regulations.
- Identify, protect, and preserve archival records.
- Establish a process to prepare and annually review and update the records management plan.

Information to Be Posted on a Public Authority's Website

Unless noted otherwise, as a general rule, information that is likely to remain static should still be reviewed on an annual basis to confirm changes are not need. Any updated and board approved documents should be posted to the website. *At least two years of budget, financial and operating information should also be available on the website.*

§2800 Annual Report

- Report on Operations and Accomplishments
 - Include description of the authority's operations, completed and active projects, as well as any material changes in authority operations and programs
 - Updated annually within 90 days of end of fiscal year

- Financial Reports
 - Including Certified Financial Audit under Section 2802 of PAL
 - Grant and subsidy programs (if applicable)
 - Operating and financial risks
 - Supporting policies to mitigate risks
 - Maintain at least two years of financial information

- Authority Mission Statement and Performance Measurement Report
 - See [ABO Policy Guidance 10-02: Public Authority Mission Statements and Measurement Reports](#)
 - Mission Statement
 - Performance Measures
 - Annual Performance Evaluation indicating status of the Performance Measures
 - Review annually
 - Update and approve as necessary
 - Maintain the Mission Statement on website permanently
 - Maintain the Annual Performance Evaluation on website for two years

- Schedule of Debt
 - Update annually to include new bond and debt issuances and amounts redeemed
 - Post a copy of each official statement or similar documents for all debt issuances, including conduit debt, that indicate
 - The amount of debt issued
 - The purpose for issuing the debt
 - The use of the debt proceeds
 - The recipient of the debt proceeds
 - Maintain each annual schedule on website for two years
 - Maintain official statements on website for two years from date of bond issuance and update as necessary with new statements

- Personal and Real Property Transactions
 - Post a list of Real Property owned by the Authority
 - Guidelines concerning the awarding and monitoring of contracts for the disposal and acquisition of property

- Report of all property transactions that includes the price of the transaction and name of the purchaser or seller
- Update as necessary to reflect changes to or new property transactions
- Maintain guidelines on website permanently

- Authority Code of Ethics
 - See [ABO Recommended Practices: Model Code of Ethics](#)
 - Update and approve as necessary
 - Maintain on website permanently

- Management's Assessment of the Authority's Internal Control Structure and Procedures
 - See [ABO Recommended Practices: Model Assessment of Internal Controls](#)
 - Include a description of operating and financial risks
 - Maintain each assessment report on website for two years

- Enabling Statute
 - Post current enabling statute or active link to site
 - Local Development Corporations should post their articles of incorporation in lieu of an enabling statute
 - Update as necessary to reflect statutory amendments
 - Maintain enabling statute or articles of incorporation on website permanently

- List of Authority Board Members and Executive Management Team
 - Include appointing entity, appointment dates and terms
 - Include professional experience and current employment of each member, and the professional background and experience of officers
 - Update to reflect changes in the board or staff
 - Maintain on website permanently

- List of Committees, Committee Members, and Committee Meetings (all Committee documents should be separate and distinct)
 - Post notices, proposed agendas, and board packets for all committee meetings at least one week in advance of meetings
 - Names of all committees and their members should be posted permanently, and updated as necessary
 - Post meeting minutes within 14 days of committee meeting
 - Maintain meeting minutes on website for at least two years following the date on which the meeting was held

- Board Meetings
 - See [ABO Recommended Practices: Board Meetings – Best Practices Guide for Public Authorities](#)
 - Post schedule of all board meetings at beginning of the fiscal year
 - Post meeting notices, agendas and board packets at least one week in advance of a board meeting
 - Post board meeting minutes within 14 days of meeting
 - Post any board resolutions

- Maintain meeting minutes and resolutions on website for at least two years following the date on which the meeting was held
- Board Meetings – Video recordings
 - Stream all open meetings and public hearings in real-time
 - Post the recordings within five business days
 - Maintain recordings on website for at least five years (permissible websites include live-streaming platforms such as YouTube)
- Authority By-laws
 - Update and approve as necessary
 - Maintain on website permanently
- Subsidiaries, Affiliates, and Major Authority Units
 - Post subsidiary report submitted to the Legislature pursuant to statute
 - Report should include: contact information; an organization chart; names of Board members, directors and officers; by-laws; and a report on the purpose, operations, mission and projects of the subsidiary, including justification as to why it is necessary for the subsidiary to continue its operations for the benefit of the State
 - Maintain on website permanently
- Authority Organization Chart
 - Post, at a minimum, the authority's executive structure and major organizational units
 - Update and approve as necessary
 - Maintain on website permanently
- List of Projects
 - Grants provided by the Authority
 - Amount of Grant
 - Recipient of Grant
 - Purpose of Grant
 - Maintain on website for two years
 - Loans provided by the Authority
 - Original Amount of Loan
 - Date Loan Originally Provided
 - Recipient of Loan
 - Purpose of Loan
 - Current Amount of Loan Outstanding
 - Status of Repayment (current, delinquent, etc.)
 - Maintain on website while active and for two years after
 - Bonds issued by the Authority for projects
 - Amount of Bonds Issued
 - Recipient of Bond Proceeds
 - Purpose of Bonds
 - Current Amount of Bonds Outstanding
 - Maintain on website for two years after bonds fully retired

§2801 Budget Report

- Annual Budget Report
 - Details of 4-year financial plan
 - Current and projected capital budget
 - Financial and operating performance
 - Maintain each budget report on website for two years

§2802 Independent Audits and Audit Reports

- Certified Financial Audit
 - Post management letter and report on internal controls
 - Post the documents submitted as part of the Certified Financial Audit report in PARIS
 - Maintain each audit on website for two years

Part 250.1 of Title 19 NYCRR – Applicable to IDAs only

- Blank Standard Application Form
 - The form shall be used to accept requests for financial assistance
 - Update and approve as necessary
 - Maintain on website permanently
- Uniform Tax Exemption Policy
 - Update and approve as necessary
 - Maintain on website permanently
- Uniform Evaluation and Selection Policy
 - Update and approve as necessary
 - Maintain on website permanently
- All Approved Applications
 - This includes the approved IDA resolution, as well as all attachments, appendixes and any other relevant records that set forth terms and conditions under which financial assistance shall be provided
 - Maintain on website while project is active and for two years after
- Policies for the Suspension, Discontinuance or Modification of Financial Assistance
 - Update and approve as necessary
 - Maintain on website permanently
- Policies for the Return of All or Part of the Financial Assistance Provided for the Project
 - Update and approve as necessary
 - Maintain on website permanently
- Annual Compliance Report Regarding State Sales Tax Recapture (ST-62)
 - Maintain on website for two years

- List of Active Projects
 - Project Name
 - Project Applicant Name and Address
 - Total Project Amount
 - Bonds Issued
 - Current Amount of Bonds Outstanding
 - Date Project Approved
 - Existing Jobs Before IDA Assistance
 - Original Estimate of Jobs to be Created/Retained
 - Current Number of Existing Jobs
 - Current Tax Exemptions
 - Mortgage Recording Tax
 - State and Local Sales and Use Tax
 - County, Local and School Property Tax
 - Current PILOT
 - County
 - Local
 - School
 - Copy of Project Agreement
 - Copy of PILOT Agreement
 - Maintain on website while project continues to receive financial assistance or bonds remain outstanding

- An Assessment of the Progress of Each Active Project
 - Assessments should be conducted annually and maintained on the website for three to five years

Chapter 109 of the Laws of 2020, Section 858 of GML– Applicable to IDAs only

- Grants provided by the Authority
 - Name and address of each grant recipient
 - The original amount of the grant
 - Date the grant was awarded (approved by the board)
 - Specific use of the grant funds
- Loans provided by the Authority
 - Name and address of each loan recipient
 - The original amount of the loan
 - Date the loan was awarded (approved by the board)
 - Length of loan (repayment period)
 - Amount of loan principal repaid as of the end of the fiscal year
 - Specific use of the loan funds

Other Documents to be Posted on Website

- Procurement Policies and Annual Procurement Report
 - Post the reports generated from the PARIS Procurement Report, and include name of the Authority's Procurement Officer
 - Utilization Plan and any waivers of compliance regarding MWBE requirements (State authorities only)
 - Update and approve policies as necessary

- Maintain policies permanently on the website
- Maintain Procurement Reports on website for two years
- Investment Policies and Annual Investment Report
 - See [ABO Policy Guidance 18-02: Public Authority Investment Report](#)
 - Post the annual Investment Report, including the investment audit results and management letter, record of investment income of the authority and a list of fees paid for investment services
 - Post explanation for any amendments made to the Investment Policy
 - Update and approve as necessary
 - Maintain policy permanently on the website
 - Maintain investment reports on the website for two years
- Conflict of Interest Policy
 - See [ABO Recommended Practices: Conflict of Interest Policy for Public Authorities](#)
 - Update and approve as necessary
 - Maintain on website permanently
- Whistleblower Policy
 - See [ABO Recommended Practices: Whistleblower Access and Assistance Program](#)
 - Update and approve as necessary
 - Maintain on website permanently
- Fee Schedules (if applicable)
 - Post a list of service fees charged by the Authority
 - Update and approve as necessary
 - Maintain on website permanently



QUADSIMIA^{LLC}

We build websites that work!

14 November 2022

Material is confidential and proprietary.

Website Development Proposal for Oneida County Industrial Development Agency (OCIDA)

Quadsimia understands that the Oneida County Industrial Development Agency (OCIDA) seeks a **local partner** with significant website development experience that can provide a hands-on “best practices” approach to the project, one that contains several components - website design and development, plus long-term support.

Website Development

Website Design and Development

- Development of website strategy, framework and design
 - Information architecture
 - Content and design strategy
 - Development of user-interface design
 - Quadsimia will adhere to the current OCIDA brand guidelines
 - All new development will be built in beta environment
 - Design development and revisions
 - Two rounds of revisions included (rough draft and final draft)
 - Additional changes beyond allotted rounds, or any work deemed out of scope, may result in additional costs
- Integration of Content Management System (CMS), qDynamo
 - Allow client to update content and documents
 - NOTE: CMS will not include 'Board Portal'
- Coding and formatting of responsive website
 - Page development and structure based on outcome of strategy meetings plus existing pages and newly identified pages
 - Integration of content and documents
 - Collaboration between OCIDA and Quadsimia to understand value and necessity of old content
 - Export/import necessary PDFs (i.e. minutes/agendas/resolutions) from current database into new database
 - Generate all 'Projects' as individual document libraries
 - Import all new project documents within their respective libraries
 - Quadsimia will provide a CSV template for OCIDA to follow for import
 - All documents must have their own unique document title
 - All documents to be imported in bulk
 - Link all 'Recordings' externally to YouTube
 - All additional material shared in electronic format made available for download via file sharing solution (i.e. Dropbox) or through upload to our Project Management system
 - Photography provided by client
 - Stock photography available upon request
 - NOTE:
 - Development cost does not include any modifications to current CMVH interface or data
 - Development cost does not include any site-side search functionality
 - Testing/Quality Assurance
 - Beta environment / website setup enabling client to view the website development as it progresses
 - Modern website browser compatibility
 - Installation of Google Analytics and Webmaster Tools
 - Includes all Base-level Search Engine Optimization

- Includes all project management, meetings and trainings

Investment Options

1. **\$8,000.00** (includes all website documents, including import from 20-ALL projects and project documents)
2. **\$7,200.00** (includes all website documents, with the exception of any project-related library and document. OCIDA would be responsible for creating project libraries and uploading project-related documents one-by-one)
3. **\$5,500.00** (OCIDA responsible for uploading all documents (including projects, meeting materials, notices, etc.))

Website Hosting

Annual Investment for Website & CMS Hosting and SSL

- Hosting of website and single-site CMS installation - <https://www.oneidacountyida.org/>
 - Shared IP and server
 - Hosted systems are provided with backup systems along with disaster recovery services
 - Backup snapshots taken every six hours and with point-in-time backups going back 5 days
 - Installation of single SSL (Secure Socket Layers) Certificates (3rd party certificate included)
- NOTE: Email will remain with current provider unless otherwise requested. Additional costs applied.

Annual Investment: **\$480.00/year**

Additional Solutions

Annual Investment for ADA Compliance Widget

According to ADA title III, every business website has to be accessible to people with disabilities, or it will be at risk of being sued and facing unnecessary legal expenses. We recommend use of our AI and machine learning web accessibility solution to solve this problem. According to our research, this is the most affordable and simple solution in the market today.

- Integration of AccessiBe (<https://accessibe.com/>) script and access widget
 - ADA, WCAG 2.1 Level AA& Section 508 compliance
 - An accessibility statement and certification of performance
 - Ongoing maintenance involving re-scan of your website every 24 hours

Annual Investment: **\$490.00/year**

If you have any questions or require additional information please do not hesitate to email or call.

Sincerely,

Rocco Fernalld, Director of Business Development
rocco.fernald@quadsimia.com
315.768.4974 ext. 207

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