

**Final Authorizing Resolution
Varflex Corporation Facility**

Transcript Document No. 7

Date: February 12, 2020

At a meeting of the Oneida County Industrial Development Agency (the "Agency") held at 584 Phoenix Drive, Rome, New York 13441 on the 12th day of February 2020 the following members of the Agency were:

Members Present: David Grow, Michael Fitzgerald, Steve Zogby; Kirk Hinman, Videoconference: Gene Quadraro

Excused: Mary Faith Messenger, Ferris Betrus

EDGE Staff Present: S.J. DiMeo, S. Papale, M. Carney, W. VanShufflin, J. Waters, M. Kaucher

Others Present: Rome Mayor Jackie Izzo; Jenna Pettinelli, Levitt & Gordon; Bill Maxim, Northeast Regional Council of Carpenters; Deli Vargas, North Atlantic States Regional Council of Carpenters; Linda Romano, Bond, Schoeneck & King; Kate Jarosh, Bonacio Construction; Dave Hill, Rome Sentinel.

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 proposed financial assistance to Varflex Corporation

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

Voting Aye

David Grow
Michael Fitzgerald
Kirk Hinman
Gene Quadraro
Steve Zogby

Voting Nay

RESOLUTION AUTHORIZING THE AGENCY TO EXECUTE THE FIRST AMENDED AND RESTATED LEASE AGREEMENT, THE FIRST LEASEBACK AMENDMENT, THE FIRST AMENDED AND RESTATED PAYMENT-IN-LIEU-OF-TAX AGREEMENT, THE FIRST AMENDED AND RESTATED RECAPTURE AGREEMENT AND RELATED DOCUMENTS WITH RESPECT TO THE VARFLEX CORPORATION FACILITY LOCATED IN THE CITY OF ROME, ONEIDA COUNTY.

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

WHEREAS, Varflex Corporation, on behalf of itself and/or the principals of Varflex Corporation, and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "Sublessee") has applied to the Oneida County Industrial Development Agency (the "Agency") to enter into a transaction in which the Agency will assist in the (a) construction of a 12,000± square foot addition (the "Addition") to an existing 52,000± square foot manufacturing facility (the "Existing Improvements") located on a 7.64± acre parcel of land situated at 5780 Success Drive, City of Rome, Oneida County, New York (the "Land" and together with the Existing Improvements the "Existing Facility"); and (b) acquisition and installation of equipment in the Addition (the "Equipment"), all to be used for the manufacturing of electrical insulating sleeving (the Addition and the Equipment are referred to collectively as the "Facility," the construction and equipping of the Addition is referred to as the "Project"); and

WHEREAS, the Agency will maintain a leasehold interest in the Land and Improvements and acquire a leasehold interest in the Equipment pursuant to a First Amended and Restated Lease Agreement from the Company to the Agency (the "First Amended and Restated Lease Agreement") and lease the Facility back to the Company pursuant to the Leaseback Agreement dated as of October 1, 2013 (the "2013 Leaseback Agreement") as amended by the First Amendment to Leaseback Agreement from the Agency to the Company (the "First Leaseback Amendment" and together with the 2013 Leaseback Agreement, the "Leaseback Agreement"); and

WHEREAS, the Agency by resolution duly adopted on July 31, 2019 (the "Inducement Resolution") decided to proceed under the provisions of the Act to extend the lease of the Facility and directed that a public hearing be held and enter into the First Amended and Restated Lease Agreement and First Leaseback Amendment; and

WHEREAS, the Agency conducted a public hearing on February 11, 2020 and has received all comments submitted with respect to the Financial Assistance and the nature and location of the Facility; and

WHEREAS, the value of the Financial Assistance is described below:

exemptions from sales and use taxes on materials and/or equipment acquired and installed in connection with the Project, the value of which is estimated at \$54,600 but shall not exceed \$60,060; and

abatement of real property taxes for a period of ten years on the Land and the increased assessment resulting from the Addition, the value of which is estimated at \$225,200;

WHEREAS, the Financial Assistance is consistent with the Agency's Uniform Tax Exemption Policy (the "Policy"); and

WHEREAS, the Company has agreed to indemnify the Agency against certain losses, claims, expenses, damages and liabilities which may arise in connection with the Project and the Agency's leasehold interest in the Facility; and

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 acquisition, construction and equipping of the Facility, the leasing of the Facility to the Company and the Agency's Financial Assistance with respect thereto, 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 acquisition, construction, equipping and financing of the Facility is reasonably necessary to induce the Company to maintain and expand its business operations in the State of New York; and

(e) Based upon representations of the Company and Company's Counsel, the Facility conforms with the local zoning laws and planning regulations of Oneida County and all regional and local land use plans for the area in which the Facility is located; and

(f) The SEQRA findings adopted by the Agency on October 18, 2019 encompassed the actions to be undertaken by this resolution and no changes have been made since that time to the proposed action that would create new or increased adverse environmental impacts; and

(g) It is desirable and in the public interest for the Agency to undertake the Project; and

(h) The First Amended and Restated Lease Agreement is an effective instrument whereby the Company grants the Agency a leasehold interest in the Equipment and extends the leasehold interest in the Land and Improvements; and

(i) The First Leaseback Amendment is an effective instrument whereby the Agency amends the terms of the 2013 Leaseback Agreement to continue to lease the Facility back to the Company; and

(j) The First Amended and Restated Payment-in-Lieu-of-Tax Agreement (the "First Amended and Restated PILOT Agreement") between the Company and the Agency, in substantially the form attached to the Inducement Agreement and Project Agreement between

the Agency and the Company, will be an effective instrument whereby the Agency and the Company set forth the terms and conditions of their Agreement regarding the Company's payments in lieu of real property taxes; and

(k) The First Amended and Restated Jobs Creation and Recapture Agreement (the "First Amended and Restated Recapture Agreement") between the Company and the Agency will be an effective instrument whereby the Company agrees that the Financial Assistance is conditioned upon maintaining and creating certain employment levels as a result of the Project.

Section 2. In consequence of the foregoing, the Agency hereby determines to: (i) acquire a leasehold interest in the Equipment and extend its leasehold interest in the Land and Improvements pursuant to the First Amended and Restated Lease Agreement, (ii) execute, deliver and perform the First Amended and Restated Lease Agreement, (iii) lease the Facility back to the Company pursuant to the Leaseback Agreement, (iv) execute, deliver and perform the First Leaseback Amendment, (v) execute, deliver and perform the First Amended and Restated PILOT Agreement, (vi) execute, deliver and perform the First Amended and Restated Recapture Agreement and (vii) provide the Financial Assistance to the Company in support of the Project.

Section 3. The Agency is hereby authorized to accept a leasehold interest in the real property described in Exhibit A to the First Amended and Restated Lease Agreement and the personal property described in Exhibit B to the First Amended and Restated Lease Agreement and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisition are hereby approved, ratified and confirmed.

Section 4. The form and substance of the First Amended and Restated Lease Agreement, the First Leaseback Amendment, the First Amended and Restated PILOT Agreement and the First Amended and Restated Recapture Agreement (each in substantially the forms presented to the Agency and which, prior to the execution and delivery thereof, may be redated) are hereby approved.

Section 5.

(a) The Chairman, Vice Chairman, Secretary or any member of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the the First Amended and Restated Lease Agreement, the First Leaseback Amendment, the First Amended and Restated PILOT Agreement and the First Amended and Restated Recapture Agreement, all in substantially the forms thereof presented to this meeting with such changes, variations, omissions and insertions as the Chairman, Vice Chairman, Secretary or any member of the Agency shall approve, and such other related 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 6. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required 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 7. This resolution shall take effect immediately.

[end of resolution]

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

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

That I have compared the annexed extract of the minutes of the meeting of the Agency, including the resolutions contained therein, held on the 24th day of April 2020 with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolutions set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

That the First Amended and Restated Lease Agreement, the First Amended and Restated Leaseback Agreement, the First Amended and Restated Environmental Compliance and Indemnification Agreement, the Recapture Agreement and the First Amended and Restated PILOT Agreement contained in this transcript of proceedings are each in substantially the form presented to the Agency and/or approved by said meeting.

I FURTHER CERTIFY that (i) all members of the Agency had due notice of said meeting, (ii) because of the Novel Coronavirus (COVID-19) Emergency and State and Federal bans on large meetings or gatherings and pursuant to Governor Cuomo's Executive Order 220.1 issued on March 12, 2020 suspending the Open Meetings Law, the meeting was held electronically via conference call instead of a public meeting open for the public to attend in person, and members of the public were provided with call-in information to listen to the meeting and minutes of the Agency meeting are (or will be) transcribed and posted on the Agency's website, (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 this 24th day of June 2020.

ONEIDA COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

By: 

Shawna M. Papale, Secretary