

MINUTES
COUNTY OF OSWEGO INDUSTRIAL DEVELOPMENT AGENCY
September 26, 2019
IDA OFFICE BUILDING
44 W. BRIDGE ST.
OSWEGO, NEW YORK

PRESENT: Canale, Schick, Sorbello, Stahl, Toth and Trimble

Absent/Excused: Kells

Also Present: Kevin C. Caraccioli, Kevin LaMontagne and L. Michael Treadwell

Chair Toth called the meeting to order at 9:00 a.m. at the offices of the County of Oswego IDA in Oswego, NY.

APPROVAL OF MINUTES

On a motion by Mr. Sorbello, seconded by Mr. Trimble, the minutes of the August 28, 2019 meeting were approved.

TREASURER'S REPORT

On a motion by Mr. Schick, seconded by Mr. Stahl, the Financial Statements for the period ended July 31, 2019 were approved.

NOTICE OF MEETING

Meeting notices were posted at the Oswego County Building, the IDA Office Building and on the IDA website. A notice was published in The Palladium Times on September 11, 2019.

Huhtamaki

Following a discussion, on a motion by Mr. Schick, seconded by Mr. Trimble, authorization was approved to terminate the collateral requirement associated with a 1999 loan secured by an Irrevocable Standby Letter of Credit provided by Nordea Bank Finland Plc.

22 Crossroads, LLC

Following a discussion regarding an increase in the size of the mortgage financing from \$4.7 million to \$6.2 million, on a motion by Mr. Sorbello, seconded by Mr. Stahl, a resolution was approved approving the grant of additional financial assistance at the request of the Company. A copy of the Resolution Approving Additional Financial Assistance is attached and made an official part of the minutes.

Following a discussion on the request to waive additional administrative fees based on an increase in project cost, on a motion by Mr. Stahl, seconded by Mr. Schick, the request was denied.

Grossman St. Amour, PLLC

Following a discussion, on a motion by Mr. Trimble, seconded by Mr. Schick, authorization was approved to engage the firm for the COIDA's audit for FY ended July 31, 2019.

Executive Session

Chair Toth and Mr. Caraccioli reported that due to matters involving the financial history of a business/organization and individuals and pending and current contractual matters, on a motion by Mr. Stahl, seconded by Mr. Canale, it was approved to go into Executive Session at 9:43 a.m.

On a motion by Mr. Canale, seconded by Mr. Schick, the Executive Session ended at 11:00 a.m.

Delinquent Loan Report

Mr. LaMontagne reviewed the report ended August 31, 2019 in Executive Session. On a motion by Mr. Sorbello, seconded by Mr. Trimble, the report was approved.

Oswego County Civic Facilities Corp.

Matters involving the reporting to the NYS ABO were discussed in Executive Session. Authorization to further review the status of the OCCFC and determine a strategy relative to the continuation or dissolution of the organization was approved.

Port City Logistics/PCL Properties

Mr. Caraccioli reviewed communications in Executive Session. No additional action beyond what has been authorized was approved.

Strategic Domains, LLC

Mr. Treadwell reported that an application had been received for financial assistance.

86 State St. Phoenix, LLC

Following a discussion, on a motion by Mr. Canale, seconded by Mr. Sorbello, the Agency approved concurring with refinancing and authorization to execute mortgage documents with M&T Bank.

Oswego County Airport

Mr. Sorbello provided an overview of development activities at the Airport.

Miller WWTP Property

Mr. Treadwell reported that due to problems associated with beavers that have impacted a neighboring horse farm, authorization had been given to allow access to the COIDA property to help correct the problem.

Next Meeting

October 29, 2019 at 9:00 a.m. was scheduled.

Adjournment

On a motion by Mr. Canale, seconded by Mr. Sorbello, the meeting was adjourned at 11:20 a.m.

Respectfully Submitted,

H. Leonard Schick
Secretary

RESOLUTION APPROVING ADDITIONAL FINANCIAL ASSISTANCE

A regular meeting of the County of Oswego Industrial Development Agency was convened in public session on September 26, 2019 at 9:00 a.m., at 44 West Bridge Street, Oswego, New York.

The meeting was called to order by the Chair and, upon the roll being duly called, the following members were:

PRESENT: Nick Canale, Jr., H. Leonard Schick, Morris Sorbello, Tim Stahl, Gary T. Toth and Barry Trimble

ABSENT: Tom Kells

ALSO PRESENT: Kevin C. Caraccioli, Kevin LaMontagne and L. Michael Treadwell

The following resolution was duly offered and seconded:

**RESOLUTION APPROVING THE GRANT OF
ADDITIONAL FINANCIAL ASSISTANCE AT THE
REQUEST OF THE COMPANY**

WHEREAS, the County of Oswego Industrial Development Agency (the “*Agency*”) is authorized and empowered by Title 1 of Article 18-A of the General Municipal Law of the State of New York (the “*State*”), as amended, together with Chapter 234 of the Laws of 1973 of the State of New York, as amended from time to time (collectively, the “*Act*”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, including industrial pollution control facilities, railroad facilities and certain horse racing facilities, for the purpose of promoting, attracting, encouraging and developing recreation and economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State, to improve their recreation opportunities, prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to grant “financial assistance” (as defined in the Act) in connection with the acquisition, construction and equipping of one or more “projects” (as defined in the Act); and

WHEREAS, 22 Crossroads, LLC, a New York limited liability company (the “*Company*”), on behalf of themselves and/or entities formed or to be formed on behalf of the foregoing, submitted a revised application to the Agency on or about December 28, 2018 (the

“**Application**”), a copy of which is on file at the office of the Agency, requesting the Agency undertake a project (the “**Project**”) consisting of: (A)(i) the acquisition of a leasehold interest (or sub-leasehold interest) in real property located at 147-149 West First Street, 151-155 West First Street and 157 West First Street in the City of Oswego, State of New York (Tax ID # 128.55-02-01, 128.55-02-26 and 128.55-02-25 (collectively, the “**Land**”); (ii) the demolition of the existing approximately 3,237 square foot building located at 147-149 West First Street; (iii) the renovation and reconstruction of the existing approximately 8,800 square foot building located at 157 West First Street, including the construction of underground parking (the “**Renovated Facility**”); (iv) construction of a new building containing approximately 5,000 square feet of retail space, approximately 32 apartments and approximately 26 underground parking spaces (the “**New Facility**” and, collectively with the Renovated Facility, the “**Facility**”); and (v) the acquisition and installation in and around the Facility and/or for use in connection with the Project of various machinery, equipment, furnishings and other items of tangible personal property (collectively the “**Equipment**”) (the Land, the Facility and Equipment are hereinafter collectively referred to as the “**Project Facility**”); (B) the granting of certain financial assistance in the form of exemptions from State and local sales and use tax, mortgage recording tax (except as limited by Section 874 of the Act) and real property tax (collectively, the “**Financial Assistance**”); and (C) the lease of the Land and Facility by the Agency pursuant to a lease agreement; the acquisition by the Agency of an interest in the Equipment pursuant to a bill of sale from the Company; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement; and

WHEREAS, the Agency adopted a resolution on January 28, 2019 (the “**Initial Resolution**”) entitled:

RESOLUTION DETERMINING THAT THE ACQUISITION, DEMOLITION OF AN EXISTING BUILDING, RENOVATION OF AN EXISTING BUILDING, CONSTRUCTION OF A NEW BUILDING AND EQUIPPING OF A MIXED USE FACILITY AT THE REQUEST OF THE COMPANY CONSTITUTES A PROJECT AND DESCRIBING THE FINANCIAL ASSISTANCE REQUESTED IN CONNECTION THEREWITH AND AUTHORIZING A PUBLIC HEARING

which resolution is in full force and effect and has not been amended or modified; and

WHEREAS, the Company also requested that the Agency consider a payment in lieu of tax (“**PILOT**”) schedule, and such schedule constitutes a deviation from the Agency’s Uniform Tax Exemption Policy (“**UTEP**”) established pursuant to Section 874(4) of the Act; and

WHEREAS, by letters dated February 4, 2019, the Agency gave to the chief executive officers of the affected tax jurisdictions notice pursuant to Section 874 of the Act of this meeting (the “**Notice**”), at which the Agency would consider the Company’s request for a PILOT schedule which deviates from the UTEP; and

WHEREAS, the Agency conducted a public hearing with respect to the Project and the proposed Financial Assistance on February 15, 2019 pursuant to Section 859-a of the Act, notice

of which was published on January 31, 2019 in The Palladium-Times, a newspaper of general circulation in the County of Oswego, New York and given to the chief executive officers of the affected tax jurisdictions by letter dated January 30, 2019; and

WHEREAS, the Agency adopted a resolution on March 20, 2019 (the “**SEQRA Resolution**”) entitled:

RESOLUTION CLASSIFYING A CERTAIN PROJECT AS AN UNLISTED ACTION PURSUANT TO THE STATE ENVIRONMENTAL QUALITY REVIEW ACT AND DETERMINING THAT THE PROJECT WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT

which resolution is in full force and effect and has not been amended or modified;

WHEREAS, the Agency adopted a resolution on March 20, 2019 (the “**Inducement Resolution**”) entitled:

RESOLUTION UNDERTAKING THE ACQUISITION, DEMOLITION OF AN EXISTING BUILDING, RENOVATION OF AN EXISTING BUILDING, CONSTRUCTION OF A NEW BUILDING AND EQUIPPING OF A MIXED USE FACILITY, APPOINTING 22 CROSSROADS, LLC (THE “COMPANY”) AS AGENT OF THE AGENCY FOR THE PURPOSE OF THE ACQUISITION, DEMOLITION CONSTRUCTION, RENOVATION, INSTALLATION, EQUIPPING AND COMPLETION OF THE PROJECT; APPROVING CERTAIN FINANCIAL ASSISTANCE; AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN AGREEMENT BETWEEN THE AGENCY AND THE COMPANY

which resolution is in full force and effect and has not been amended or modified;

WHEREAS, the Agency adopted a resolution on March 20, 2019 (the “**PILOT Resolution**”) entitled:

RESOLUTION APPROVING A PAYMENT IN LIEU OF TAX SCHEDULE AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS BY THE AGENCY IN CONNECTION WITH A CERTAIN PROJECT UNDERTAKEN AT THE REQUEST OF THE COMPANY

which resolution is in full force and effect and has not been amended or modified;

WHEREAS, the Agency adopted a resolution on March 20, 2019 (the “**Final Approving Resolution**”) entitled:

**RESOLUTION AUTHORIZING THE EXECUTION AND
DELIVERY OF CERTAIN DOCUMENTS BY THE AGENCY
IN CONNECTION WITH A PROJECT UNDERTAKEN AT
THE REQUEST OF THE COMPANY**

which resolution is in full force and effect and has not been amended or modified; and

WHEREAS, as of the date of the Application, the Company requested a mortgage recording tax exemption with respect to a mortgage in an amount not to exceed \$4,700,000 (the “Original Mortgage Amount”); and

WHEREAS, the Company notified the Agency that the final amount of the mortgage is \$6,200,000 (the “Final Mortgage Amount”) and requested that the Agency grant a mortgage recording tax exemption with respect to the increase in the Final Mortgage Amount (\$6,200,000) over the Original Mortgage Amount (\$4,700,000); and

WHEREAS, the increase in the mortgage recording tax exemption requested is \$11,250 in excess of the amount included in the Application (the “Additional Financial Assistance”); and

WHEREAS, the Additional Financial Assistance is less than the \$100,000.

NOW, THEREFORE, be it resolved by the members of the County of Oswego Industrial Development Agency, as follows:

Section 1. It is the policy of the State to promote the health, economic welfare, recreation opportunities and prosperity of its inhabitants and to actively promote, attract, encourage and develop recreation and economically sound commerce and industry for the purpose of preventing unemployment and economic deterioration. It is among the purposes of the Agency to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of certain facilities, including commercial facilities, and thereby advance the job opportunities, health, general prosperity and economic welfare of the people of the State and to improve their recreation opportunities, prosperity and standard of living.

Section 2. Based upon the representations and projections made by the Company to the Agency and after considering those representations, the Agency hereby makes the following determinations:

- (a) Ratifies the findings in its Initial, SEQRA, Inducement, PILOT and Final Approving Resolutions.
- (b) The granting of the Additional Financial Assistance will be an inducement to the Company to develop the Project in the City of Oswego and County of Oswego.
- (c) The commitment of the Agency to provide the Additional Financial Assistance to the Company will assist the Company to acquire, construct, equip and complete the Project Facility.

- (d) The acquisition, construction, renovation, installation, equipping and completion of the Project will promote employment opportunities, help prevent economic deterioration and advance the health, general prosperity and economic welfare of the people of the State.
- (e) The acquisition of a controlling interest in the Project Facility by the Agency and the designation of the Company as the Agency's agent for the acquisition, construction, renovation, installing, equipping and completion of the Project will be an inducement to the Company to acquire, construct, renovate, install, equip and complete the Project Facility in the City of Oswego, County of Oswego, and will serve the purposes of the Act by, among other things, promoting job opportunities and the general prosperity and economic welfare of the inhabitants of the County of Oswego; and the granting of the Additional Financial Assistance is a necessary component to the financing of the Project.
- (f) The Project will not result in the removal of any commercial, industrial or manufacturing plant or facility of the Company or of any other proposed occupant of the Project Facility 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 Company or any other proposed occupant of the Project Facility located in the State, except as may be permitted by the Act.

Section 3. Subject to the conditions set forth in Section 4.02 of the Agreement and the Project Agreement (as those terms are defined in the Inducement Resolution), this Resolution, the Inducement Resolution, the PILOT Resolution and the Final Approving Resolution (collectively the "***Resolutions***"), the Agency will: (A) grant the Additional Financial Assistance to the Company; and (B) execute and deliver any other documents necessary to effectuate the intent of the Resolutions and the granting of the Additional Financial Assistance as contemplated by and consistent with this Resolution upon the advice of counsel to the Agency.

Section 4. The Chief Executive Officer and/or (Vice) Chairperson are each hereby authorized and directed, for and in the name and on behalf of the Agency, to execute and deliver the documents and agreements identified herein and any such additional certificates, instruments, documents or affidavits, to pay any such other fees, charges and expenses, to make such other changes, omissions, insertions, revisions, or amendments to the documents referred to herein and to do and cause to be done any such other acts and things, as they determine, on advice of counsel to the Agency, may be necessary or desirable to consummate the transactions contemplated by the Resolutions. The execution thereof by the Chief Executive Officer or (Vice) Chairperson shall constitute conclusive evidence of such approval.

Section 5. No covenant, stipulation, obligation or agreement contained in this Resolution or any document referred to above shall be deemed to be the covenant, stipulation, obligation or agreement of any member, officer, agent or employee of the Agency in his or her individual capacity. Neither the members nor officers of the Agency, nor any person executing any documents referred to above on behalf of the Agency, shall be liable thereon or be subject to any personal liability or accountability by reason of the execution or delivery thereof.

Section 6. A copy of this Resolution shall be placed on file in the office of the Agency where the same shall be available for public inspection during business hours.

Section 7. The Chief Executive Officer of the Agency is hereby authorized and directed to distribute copies of this Resolution to the Company and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 8. Counsel to the Agency and special Agency counsel are hereby authorized to work with the Company, and others to prepare, for submission to the Agency, all documents necessary to effect the grant of Additional Financial Assistance and to consummate the transactions contemplated by this Resolution.

Section 9. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to vote on a roll call, which resulted as follows:

	<u>Aye</u>	<u>Nay</u>	<u>Abstain</u>	<u>Absent</u>	<u>Recuse</u>
Nick Canale, Jr.	X				
Tom Kells				X	
Tim Stahl	X				
H. Leonard Schick	X				
Morris Sorbello	X				
Gary T. Toth	X				
Barry Trimble	X				

The

resolution was thereupon declared duly adopted.

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

I, the undersigned Chief Executive Officer of the County of Oswego Industrial Development Agency, **DO HEREBY CERTIFY** that (i) I have compared the annexed extract of the minutes of the meeting of the County of Oswego Industrial Development Agency (the “**Agency**”) held on September 26, 2019, 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 the whole of such original insofar as the same relates to the subject matters referred to therein.

I **FURTHER CERTIFY** that (i) all members of the Agency had due notice of such meeting, (ii) pursuant to Section 104 of the Public Officers Law (Open Meetings Law), such meeting was open to the general public and public notice of the time and place of such meeting was duly given in accordance with such Section 104, (iii) the meeting was in all respects duly held, and (iv) there was a quorum present throughout.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency on September 26, 2019.

L. Michael Treadwell
Chief Executive Officer

(SEAL)