

## PILOT RESOLUTION

A regular meeting of the County of Oswego Industrial Development Agency was convened in public session on October 25, 2023, at 8:30 a.m. local time, 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., Marc Greco, H. Leonard Schick, Tim Stahl, Gary T. Toth, and Barry Trimble

**ABSENT:** Tricia Peter-Clark

**ALSO PRESENT:** Kevin C. Caraccioli, Kevin LaMontagne, Benjamin Morrow, and Austin Wheelock

The following resolution was duly offered and seconded

**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 DALDROP SBB  
LLC**

**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, 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, reconstruction, renovation, installation and equipping of one or more “projects” (as defined in the Act); and

**WHEREAS**, Daldrop SBB LLC, a Delaware limited liability company, or an entity formed or to be formed by it or on its behalf (the “*Company*”), submitted an application to the Agency on or about September 19, 2023 (the “*Application*”), a copy of which is on file at the office of the Agency, requesting that the Agency consider undertaking a project (the “*Project*”) consisting of: (A)(i) the acquisition of a leasehold interest (or sub-leasehold interest) in approximately 17 acres of real property located at 150 County Route 59A (Tax ID No. #303.00-02-03.15) in the Town of Schroepfel, County of Oswego, State of New York (the “*Land*”); (ii) the construction of an approximately 32,000 square foot building for the manufacturing, distribution, engineering, sales, research and development of cleanroom systems, together with related site improvements (all of the foregoing, collectively, the “*Facility*”); and (iii) the acquisition and installation in and around the Facility and/or for use in connection with the Project of various fixtures, machinery, equipment and other tangible personal property (collectively, the “*Equipment*”) (the Land, the Facility and the Equipment being collectively referred to as the “*Project Facility*”); (B) the granting of certain financial assistance in the form of exemptions from real property taxes, real estate transfer taxes and State and local sales and use tax (collectively, the “*Financial Assistance*”); (C) the appointment of the Company and/or its designee as an agent of the Agency in connection with the acquisition, construction, and equipping of the Project Facility; and (D) the lease (or sub-lease) of the Land and the Facility by the Company to 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 September 27, 2023 describing the Project, the Financial Assistance and authorizing a public hearing (the “*Initial Resolution*”); and

**WHEREAS**, in accordance with the requirements of Section 859-a of the Act, a copy of the Initial Resolution was distributed on October 5, 2023 by the Agency by certified mail, return receipt requested, to the chief executive officer of each affected local taxing jurisdiction, including the school board and district superintendent of the Phoenix Central School District; and

**WHEREAS**, the Agency conducted a public hearing with respect to the Project and the proposed Financial Assistance on October 23, 2023 pursuant to Section 859-a of the Act, notice of which was published on October 10, 2023 in The Post-Standard, a newspaper of general circulation in the Town of Schroepfel and given to the chief executive officers of the affected tax jurisdictions by letter dated October 5, 2023; and

**WHEREAS**, pursuant to Article 8 of the Environmental Conservation Law of the State, as amended, and the regulations of the Department of Environmental Conservation of the State promulgated thereunder (collectively referred to hereinafter as “*SEQRA*”), the Agency is required to make a determination whether the “action” (as said quoted term is defined in SEQRA) to be taken by the Agency may have a “significant impact on the environment” (as said quoted term is utilized in SEQRA) and the preliminary agreement of the Agency to undertake of the Project constitutes such an action; and

**WHEREAS**, on October 25, 2023, the Agency adopted a resolution determining that pursuant to the State Environmental Quality Review that the Project constitutes an Unlisted Action requiring no further review under SEQRA and issued a negative declaration (the

“*SEQRA Resolution*”); and

**WHEREAS**, on September 27, 2023 the Agency adopted a Resolution (the “*Inducement Resolution*”) agreeing to undertake the Project and appointing the Company as its agent for purposes of completing the Project Facility; and

**WHEREAS**, in the Application, the Company also requested that the Agency consider a payment in lieu of taxes agreement (the “*PILOT Agreement*”) with respect to the Project Facility, pursuant to a payment in lieu of tax schedule (the “*PILOT Schedule*”), more fully described on **Exhibit “A”** attached hereto, and such schedule is in accordance with the Agency’s Uniform Tax Exemption Policy (“*UTEP*”); and

**WHEREAS**, the Agency has given due consideration to the Application and to the representations by the Company that the provision of Financial Assistance: (i) will induce the Company to develop the Project Facility in the Town of Schroepfel, County of Oswego (ii) although the completion of the Project Facility will result in the removal of one or more plants or facilities of the Company 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 located in the State, the Project and the related financial assistance is reasonably necessary to discourage the Company from removing the Project to a location outside the State; and (iii) the Project will serve the purposes of the Act by advancing job opportunities, the health, general prosperity and economic welfare of the people of the State and the County of Oswego and improve their standard of living;

**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.** The Agency ratifies all prior resolutions adopted in connection with this proposed Project (collectively, the “*Resolutions*”).

**Section 3.** Based upon the representations made by the Company to the Agency, and the reasons presented by the Company in support of its request for the PILOT Schedule, as set forth on **Exhibit “A”** attached hereto, the PILOT Schedule is hereby approved subject to the terms and conditions of the Resolutions. The Chief Executive Officer and/or the (Vice) Chairperson of the Agency are each hereby authorized to execute and deliver a PILOT Agreement and any related documents reflecting the PILOT Schedule in a form substantially similar to PILOT agreements used in similar transactions with the Agency which is acceptable to the Chief Executive Officer and/or the (Vice) Chairperson of the Agency upon advice of counsel.

**Section 4.** No covenant, stipulation, obligation or agreement contained in this resolution or any document referred to herein 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 herein 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 5.** 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 6.** The Chief Executive Officer and/or the (Vice) Chairperson of the Agency are each 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 as well as all previously approved Resolutions.

**Section 7.** 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 Financial Assistance, including, but not limited to, a PILOT Agreement.

**Section 8.** 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				
Tricia Peter-Clark				X	
Marc Greco	X				
Tim Stahl	X				
H. Leonard Schick	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 October 25, 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 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 Article 7 of the Public Officers Law (the “*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 Open Meetings Law, (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 October 25, 2023.

  
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Austin Wheelock  
Chief Executive Officer

(SEAL)

**EXHIBIT "A"**  
**PILOT SCHEDULE**

Mfg. UTEP: 20 Years

The UTEP Exemption Schedule on the increase in the annual assessed value of the Project Facility over the Base Assessed Value.

<u>Year</u>	<u>Amount of Annual Exemption</u>
1	75%
2	75%
3	75%
4	75%
5	75%
6	60%
7	60%
8	60%
9	60%
10	60%
11	50%
12	50%
13	40%
14	40%
15	30%
16	30%
17	20%
18	20%
19	10%
20	10%
21	No Exemption