

## PILOT RESOLUTION

A regular meeting of the County of Oswego Industrial Development Agency (the “*Agency*”) was convened in public session on February 29, 2024, 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., Tricia Peter-Clark, Marc Greco, H. Leonard Schick, Tim Stahl, Gary T. Toth, and Barry Trimble

**ABSENT:**

**ALSO PRESENT:** Kevin C. Caraccioli, Kevin LaMontagne, 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 120 E. FIRST STREET OSWEGO, LLC**

**WHEREAS**, 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**, 120 E. First Street Oswego, LLC, a New York limited liability company, or an entity formed or to be formed by it or on its behalf (the “*Company*”) on behalf of itself and/or entities formed or to be formed on behalf of the foregoing have submitted an application to the

Agency on or about January 25, 2024 (“*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 in approximately 1.52 acres of real property located at 104 and 120 East First Street, consisting of all or a portion of the current Tax ID Nos. #128.55-03-02.11 and 128.55-03-02.2, in the City of Oswego, Oswego County, State of New York (the “*Land*”), the existing approximately 35,960 square foot four-story building (the “*Existing Building*”) located on the Land and the adjacent surface parking lot (the “*Existing Parking Lot*” and, together with the Existing Building, the “*Facility*”), (ii) the renovation and reconstruction of (a) the first and second floors of the Existing Building to create clinical space for medical, dental and mental health services (collectively, the “*Health Services*”) and the third floor to create space for tenants that will provide ancillary services to support the Health Services being provided on the first and second floors, and (b) the Existing Parking Lot; (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*”), which Project Facility is to be subleased by the Agency to the Company and further subleased by the Company to Northern Oswego County Health Services, Inc., d/b/a ConnexCare, a not-for-profit corporation and/or other third-party tenants; (B) the granting of certain financial assistance in the form of exemptions from real property taxes, real estate transfer taxes, mortgage recording tax (except as limited by Section 874 of the Act) 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, reconstruction, renovation 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 of an interest in the Equipment pursuant to a bill of sale; 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 25, 2024 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 January 30, 2024 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 Oswego City School District; and

**WHEREAS**, the Agency conducted a public hearing with respect to the Project and the proposed Financial Assistance on February 26, 2024 pursuant to Section 859-a of the Act, notice of which was published on February 1, 2024 in The Post-Standard, a newspaper of general circulation in the City of Oswego and County of Oswego, New York and given to the chief executive officers of the affected tax jurisdictions by letter dated January 30, 2024; 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 February 29, 2024, 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 February 29, 2024 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 constitutes a deviation from the Agency’s Uniform Tax Exemption Policy (“*UTEP*”) established pursuant to Section 874(4) of the Act, but comports with other payment in lieu of taxes schedules relative to other similar projects; and

**WHEREAS**, by letters dated January 30, 2024, the Agency gave to the chief executive officers of the affected taxing jurisdictions notice pursuant to Section 874 of the Act of this meeting at which the Agency would consider the Company’s request for a PILOT schedule which deviates from the UTEP; and

**WHEREAS**, prior to the date hereof, the Agency responded to all communications and correspondence received from the affected taxing jurisdictions regarding the proposed deviation from the UTEP; and

**WHEREAS**, no representatives from the affected tax jurisdictions were present at this meeting to address the Agency regarding such proposed deviation from the 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 City of Oswego, County of Oswego; (ii) will not result in the removal of a commercial, industrial or manufacturing plant or facility of the Company or 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; 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 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 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 February 29, 2024, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of 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 February 29, 2024.

  
Austin Wheelock  
Chief Executive Officer

(SEAL)



**EXHIBIT "A"**

**PILOT SCHEDULE**

Term: 10 Years

Annual payments: Annual PILOT payment to be calculated each year using the most recently published tax rates and total assessment to derive normal tax, and the previous year's weighted average utilization of the building by Northern Oswego County Health Services, Inc. dba ConnexCare or other not-for-profit entities versus for-profit entities.

The PILOT payment will be equal to 100% of normal tax for the space allocated to for-profit entities and 0% of normal tax for the space allocated to not-for-profit entities.

Estimated average of proposed PILOT payments is \$30,026, assuming 75% utilization by not-for-profit entities.

Distribution of annual PILOT Payments will be based on the pro-rata share of each of the taxing authorities for each respective year.