

FINGER LAKES ECONOMIC DEVELOPMENT CENTER  
1 Keuka Business Park, Suite 104  
Penn Yan, NY 14527  
Telephone: 315-536-7328

**MINUTES OF THE REGULAR BOARD MEETING OF THE FINGER LAKES ECONOMIC DEVELOPMENT CENTER**

August 21, 2019

FLEDC MEMBERS PRESENT: Gene Pierce  
Jim Willson  
Bill Holgate  
Rita Gow  
Sirene Garcia  
Dr. Kim Williams

FLEDC MEMBERS ABSENT: Jerry Hiller, by phone

STAFF: Steve Griffin  
Doreen Jensen

GUESTS: Doug Paddock  
John Christensen

Chair G. Pierce called the meeting to order at 8:00 A.M.

Roll call was taken; a quorum was present.

*A motion was made by J. Willson and seconded by Dr. K. Williams to enter into Executive Session at 8:01 AM to discuss the proposed sale of real property and matters leading to the employment of a particular person. Motion passed.*

*A motion was made by Dr. K. Williams and seconded by R. Gow to come out of Executive Session at 8:13 AM. Motion passed.*

There was no action taken in Executive Session.

**MINUTES**

*A motion was made by Dr. K. Williams and seconded by R. Gow to approve the July 17, 2019 minutes as written. Motion passed.*

**AGENDA CHANGES**

Add xi under new business – new board member appointment and delete viii repointing repair and painting bids

## FINANCE COMMITTEE

D. Jensen reviewed the July Financials and all bills to be paid. The total cash value of checks presented today is \$57,085.96 from the checking account, \$100,000 for the Ag City by City Loan Fund, and \$1,716 for the Irrigation Account. J. Willson inquired about the \$2,880 amount under Misc. Income on the Treasurer's Report. D. Jensen replied that was deposited to the checking account and should have been deposited to the Emergency Loan Fund Account. D. Jensen reported that using the remote deposit machine, a deposit will go to the wrong account occasionally. B. Holgate inquired about the \$357.50 for Heaton and Venuti regarding Gordon Randall Properties? S. Griffin reported that was the letter we sent regarding their construction project. ***A motion was made by R. Gow and seconded by Dr. K. Williams to approve the July financials, and to pay all bills submitted totaling \$57,085.96 for the checking, \$100,000 for the AG City by City Loan Fund, and \$1,716 for the Irrigation Account. Motion passed.***

D. Jensen reported the CD at Lyons National Bank matured on August 3, 2019. D. Jensen reviewed the CD Renewal rates that were distributed to the Board. D. Jensen didn't know if the Board would like to add money to the CD or if we would have an immediate need for cash. S. Griffin reported we shouldn't need the cash for a year. ***A motion was made by J. Willson and seconded by Dr. K. Williams to renew the CD for 2.00% for one year with Lyons National Bank. Motion passed.***

Receivables and the loan reports were reviewed

## MANAGEMENT REPORT

The following updates were given to the Management Report:

D. Jensen reported that TRANE was here to repair the HVAC unit that sits in the fenced area that heats/cools the space that Estabrook leases for their shop. The technician for TRANE did get the unit up and running. We did have to replace the compressor; this is the second compressor in two years that had to be replaced. The technician discovered there were some other issues with the unit. After discussing, the options for the unit further with the technician, we decided to have TRANE prepare a quote for additional repair and a quote to replace the unit. The repair quote was \$10,300, and the new unit was quoted at \$24,725. B. Holgate inquired about the price of a new compressor. D. Jensen replied the replaced compressor was over \$2,000. R. Gow inquired how old the unit was? D. Jensen replied it was twenty years old. B. Holgate inquired how long the warranty would be for the new unit. D. Jensen replied the quote says standard warranty. J. Hiller inquired as to how long it takes to get repaired when the unit goes down. D. Jensen replied this time it was a week, but it is usually a couple days. There were a couple of days that were very hot while it was down. The unit services a shop area but the company appreciates the air conditioning for humidity control for their pump repairs. J. Willson commented that a new unit would be more efficient. It was recommended to bid out for a new unit.

S. Griffin reported it was a busy month. The following took place: KanPak ground breaking for an 195,000 square foot warehouse that doesn't include the square footage of the environmental waste water treatment plant, if you include that facility it would be over 200,000 square feet. S. Griffin reported it was the single largest expansion in Yates County. Lt. Governor Kathy Hochul was in Penn Yan to announce the DRI projects. S. Griffin reported that he had a lot of positive feedback from people that that did not receive any money and they were thanking Vinnie Esposito for the State's investment. S. Griffin reported the DRI Grant to the Village of Penn Yan is the largest economic development grant to be awarded. S. Griffin reported we held the public hearing for the Greenidge Generation Data Center. The Data Center would be largest one time private capital investment in Yates County that he's aware of. S. Griffin

reported that the Esperanza had their ribbon cutting ceremony, the restaurant is open and the place is beautiful. There was much discussion on the Esperanza. J. Hiller highly recommends it. J. Christensen gave an overview of the updates.

S. Griffin reported that FLACRA had moved to the third floor and Catholic Charities will be moving in two weeks. S. Griffin reported this is over 12,000 square feet of renovations and build out at Keuka Business Park.

S. Griffin reported that Keuka Gardens is moving along and is hosting open information sessions.

S. Griffin reported that Keuka Shores is moving fast and has had approximately twenty official inquiries.

S. Griffin thanked the team for the effort in the closings of KanPak and Keuka Shores. S. Griffin reported there was tremendous activity with document management and the number of documents needed was tremendous. S. Griffin reported he was impressed and proud of the FLEDC team.

D. Paddock inquired about the Greendige Generation, LLC Data Center sales tax generation. D. Paddock questioned if the sales tax being generated was based on 8%? S. Griffin is not sure, he will double check. S. Griffin reported that Kevin McAuliffe didn't break the sales tax out. S. Griffin reported that Grenidge is working off of two different scenarios for the Data Center. The main plan would have them utilizing 100% of the facility for their own use. The backup plan would be to use 50% of the center themselves and rent out the other half. In this scenario there would be sales tax revenue generated from the renting of the services. However, since that is not the guaranteed plan, S. Griffin did not include any sales tax revenue in his benefit projections.

S. Griffin reported that M. Lipari has been managing the Main Street Grant process. Projects are finally getting to the construction phase. This has taken a lot of management to move these projects forward.

S. Griffin reported that the Farm to table dinner is almost ready to go. S. Griffin reported the idea is pretty exciting. S. Griffin reported that he picked the idea off of a similar event in another community and M. Lipari ran with it. Teresa Hoban, Dan Mitchell, Claudia Milroy, and Yates Chamber were all helping with this. S. Griffin reported there were probably others that are also helping that he is missing. This is very exciting.

S. Griffin reported that as part of the DRI there are two buildings that qualify for the Housing Community Renewal (HCR) portion. S. Griffin reported he was asked if the FLEDC would be open to manage the HCR grants for the Water Street Town Homes and the Village Drug's building. S. Griffin replied he inquired what the grant management will entail. S. Griffin inquired if there was a chance that we could receive a minimal administration fee. We certainly don't want to pull money away from the projects. S. Griffin is waiting for response to his questions. S. Griffin reported we are managing the building improvement fund and that is like a mini DRI all on its own.

J. Willson commented what a great project the KanPak project is. We are fortunate to have them in our community and for the future of the community. J. Willson commented a great addition due from the employment and raw milk products they are buying from local farmer and surrounding communities.

## **OLD BUSINESS**

There was no old business.

## NEW BUSINESS

S. Griffin reviewed the Keuka Lake Hotel Conference project is looking at constructing a 13,000 square foot banquet and conference center. The conference center would be able to hold up to 582 for a conference and the banquet would be able to hold up to 300. S. Griffin reported that the Village of Penn Yan was Lead Agency for the SEQR. The Village of Penn Yan declared a Negative Declaration. S. Griffin reported the total capital investment is \$4,435,000. The project would create 19-20 jobs and retain 22. S. Griffin reported this a typical 10-year PILOT. The project would pay an additional \$384,023.68 in PILOT payments over that term. The total economic benefit to the community is \$10,877,234. S. Griffin reported this does not include the multiplier effect of conference attendees and spending in the community. S. Griffin reported that the public hearing was held on April 3, 2019 and there were no negative comments. The attendees were Rita Gow, Karen Morris, John Christensen, and Sirene Garcia. S. Griffin reported what did come out of the public hearing was trying to figure out the impact of attendees on the local economy.

*The following resolution was offered by Jim Willson, seconded by Dr. Kim Williams, to wit:*

***RESOLUTION CONCURRING IN THE DETERMINATION BY THE VILLAGE OF PENN YAN PLANNING BOARD, AS LEAD AGENCY FOR THE ENVIRONMENTAL REVIEW OF THE KEUKA LAKE HOTEL LLC PROPOSED PROJECT.***

WHEREAS, Yates County Industrial Development Agency (the “Agency”) is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the “Enabling Act”) and Chapter 113 of the 1975 Laws of New York, as amended, constituting Section 893-b of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the “Act”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of commercial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their 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 acquire, construct and install one or more “projects” (as defined in the Act) or to cause said projects to be acquired, constructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, in January, 2019, Keuka Lake Hotel LLC, a New York limited liability company (the “Company”), submitted an application (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, which Application requested that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in a parcel of land containing approximately 6.58 acres located at 110 Mace Street and Lake Street (Tax Map #s 61.33-1-9.11 and 61.33-1-9.12) in the Village of Penn Yan, Town of Milo, Yates County, New York (the “Land”), together with the existing approximately 72 room hotel facility located thereon (the “Existing Facility”), (2) the construction on the Land of an addition to contain approximately 13,000 square feet of space to the Existing Facility (the “Addition”) (the Existing Facility

and the Addition hereinafter collectively referred to as the “Facility”), (3) the renovation and reconstruction of the Existing Facility, and (4) the acquisition and installation of certain machinery and equipment therein and thereon (the “Equipment”) (the Land, the Facility and the Equipment hereinafter collectively referred to as the “Project Facility”), all of the foregoing to constitute an expansion and renovation of the existing hotel facility to include a commercial hotel banquet facility and conference center and any other directly or indirectly related activities; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real property transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, by resolution adopted by the members of the Agency on February 20, 2019 (the “Public Hearing Resolution”), the Agency authorized a public hearing to be held pursuant to Section 859-a of the Act with respect to the Project; and

WHEREAS, pursuant to the authorization contained in the Public Hearing Resolution, the Chief Executive Officer of the Agency (A) caused notice of a public hearing of the Agency (the “Public Hearing”) pursuant to Section 859-a of the Act, to hear all persons interested in the Project and the financial assistance being contemplated by the Agency with respect to the Project, to be mailed on March 18, 2019 to the chief executive officers of the county and of each city, town, village and school district in which the Project Facility is to be located, (B) caused notice of the Public Hearing to be posted on March 18, 2019 at Yates County Courthouse located at 415 Liberty Street in the Village of Penn Yan and on a public bulletin board located at the offices of the Town of Milo located at 137 Main Street, in the Village of Penn Yan, New York, and on the Agency’s website, (C) caused notice of the Public Hearing to be published on March 18, 2019 in The Chronicle Express, a newspaper of general circulation available to the residents of the Village of Penn Yan, Town of Milo, New York, (D) conducted the Public Hearing on April 3, 2019 at 9:30 o’clock a.m., local time at Village of Penn Yan Meeting Room located at 111 Elm Street in the Village of Penn Yan Yates County, New York, and (E) prepared a report of the Public Hearing (the “Public Hearing Report”) fairly summarizing the views presented at such Public Hearing and caused copies of said Public Hearing Report to be made available to the members of the Agency; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”) and the regulations (the “Regulations”) adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, “SEQRA”), the Agency has been informed that (1) the Village of Penn Yan Planning Board (the “Planning board”) was designated to act as “lead agency” with respect to the Project, and (2) the Planning Board issued a Determination of Non Significance on March 7, 2019 (the “Negative Declaration”), attached hereto as Exhibit A, determining that the acquisition, reconstruction, renovation and installation of the Project Facility will not have a “significant effect on the environment”; and

WHEREAS, the Agency is an “involved agency” with respect to the Project and the Agency now desires to concur in the determination by the Planning Board, as “lead agency” with respect to the Project, to acknowledge receipt of a copy of the Negative Declaration and to indicate whether the Agency has any information to suggest that the Planning Board was incorrect in determining that the Project will not have a “significant effect on the environment” pursuant to SEQRA and, therefore, that no environmental impact statement need be prepared with respect to the Project;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF YATES COUNTY INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS:

Section 1. The Agency has received copies of, and has reviewed, the Application and the Negative Declaration (collectively, the “Reviewed Documents”) and, based upon said Reviewed Documents, the Agency hereby ratifies and concurs in the designation of the Planning Board as “lead agency” with respect to the Project under SEQRA (as such quoted term is defined in SEQRA).

Section 2. The Agency hereby determines that the Agency has no information to suggest that the Planning Board was incorrect in determining that the Project will not have a “significant effect on the environment” pursuant to the SEQRA and, therefore, that environmental impact statement need not be prepared with respect to the Project (as such quoted phrase is used in SEQRA).

Section 3. The members of the Agency are hereby directed to notify the Planning Board of the concurrence by the Agency that the Planning Board shall be the “lead agency” with respect to the Project, and to further indicate to the Planning Board that the Agency has no information to suggest that the Planning Board was incorrect in its determinations contained in the Negative Declaration.

Section 4. This Resolution shall take effect immediately.

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

|                    |        |               |
|--------------------|--------|---------------|
| Gene Pierce        | VOTING | <u>Yes</u>    |
| Jerry Hiller       | VOTING | <u>Absent</u> |
| Rita Gow           | VOTING | <u>Yes</u>    |
| Dr. Kim Williams   | VOTING | <u>Yes</u>    |
| Sirene Garcia      | VOTING | <u>Yes</u>    |
| William Holgate    | VOTING | <u>Yes</u>    |
| <u>Jim Willson</u> | VOTING | <u>Yes</u>    |

The foregoing Resolution was thereupon declared duly adopted.



EXHIBIT A  
NEGATIVE DECLARATION

-SEE ATTACHED-





**Reasons Supporting This Determination:**

The impact of a hotel conference center structure situated in an area with a large concentration of commercial enterprise and adjacent to a high-use State right-of-way is acceptable and not considered excessive, with regard to aesthetics, existing air quality, traffic patterns, or noise; and would not change existing impacts on vegetation, fauna, or habitat.

There are existing storm water ponds and a retention basin with aquatic plants for water quality control that will effectively handle any additional quantity of surface and ground water so it was determined that there would be no impact on potential erosion, drainage issues, or flooding.

There is not expected to be a major change in either the quantity or type of energy used.

There will not be a substantial change in the land use density or in the capacity to support existing uses.

The conference center structure will not have any impact on important historical aesthetic resources.

The area to be used for the structure does not contain species on the endangered list.

The project will in no way impair any environmental characteristics of the area.

Growth and subsequent development possibly induced by this activity would be related to tourism and would be supported by the community in this location as defined in the Comprehensive Master Plan.

**For Further Information:**

Contact Person: Stan Olevnik, Chairman  
Address: Village of Penn Yan, PO Box 426, Penn Yan, NY 14527  
Telephone Number: (315) 536-3015

*The following resolution was offered by Dr. Kim Williams, seconded by Rita Gow, to wit:*

**RESOLUTION AUTHORIZING EXECUTION OF DOCUMENTS IN CONNECTION WITH A LEASE/LEASEBACK TRANSACTION FOR A PROJECT FOR KEUKA LAKE HOTEL LLC (THE “COMPANY”).**

WHEREAS, Yates County Industrial Development Agency (the “Agency”) is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the “Enabling Act”) and Chapter 113 of the 1975 Laws of New York, as amended, constituting Section 893-b of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the “Act”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of commercial, manufacturing and industrial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their 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 acquire, construct and install one or more “projects” (as defined in the Act) or to cause said projects to be acquired, constructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, in January, 2019, Keuka Lake Hotel LLC, a New York limited liability company (the “Company”), submitted an application (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, which Application requested that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in a parcel of land containing approximately 6.58 acres located at 110 Mace Street and Lake Street (Tax Map #s 61.33-1-9.11 and 61.33-1-9.12) in the Village of Penn Yan, Town of Milo, Yates County, New York (the “Land”), together with the existing approximately 72 room hotel facility located thereon (the “Existing Facility”), (2) the construction on the Land of an addition to contain approximately 13,000 square feet of space to the Existing Facility (the “Addition”) (the Existing Facility and the Addition hereinafter collectively referred to as the “Facility”), (3) the renovation and reconstruction of the Existing Facility, and (4) the acquisition and installation of certain machinery and equipment therein and thereon (the “Equipment”) (the Land, the Facility and the Equipment hereinafter collectively referred to as the “Project Facility”), all of the foregoing to constitute an expansion and renovation of the existing hotel facility to include a commercial hotel banquet facility and conference center and any other directly or indirectly related activities; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real property transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, by resolution adopted by the members of the Agency on February 20, 2019 (the “Public Hearing Resolution”), the Agency authorized a public hearing to be held pursuant to Section 859-a of the Act with respect to the Project; and

WHEREAS, pursuant to the authorization contained in the Public Hearing Resolution, the Chief Executive Officer of the Agency (A) caused notice of a public hearing of the Agency (the “Public Hearing”) pursuant to Section 859-a of the Act, to hear all persons interested in the Project and the financial assistance being contemplated by the Agency with respect to the Project, to be mailed on March 18, 2019 to the chief executive officers of the county and of each city, town, village and school district in which the Project Facility is to be located, (B) caused notice of the Public Hearing to be posted on March 18, 2019 at Yates County Courthouse located at 415 Liberty Street in the Village of Penn Yan and on a public bulletin board located at the offices of the Town of Milo located at 137 Main Street, in the Village of Penn Yan, New York, and on the Agency’s website, (C) caused notice of the Public Hearing to be published on March 18, 2019 in The Chronicle Express, a newspaper of general circulation available to the residents of the Village of Penn Yan, Town of Milo, New York, (D) conducted the Public Hearing on April 3, 2019 at 9:30 o’clock a.m., local time at Village of Penn Yan Meeting Room located at 111 Elm Street in the Village of Penn Yan Yates County, New York, and (E) prepared a report of the Public Hearing (the “Public Hearing Report”) fairly summarizing the views presented at such Public Hearing and caused copies of said Public Hearing Report to be made available to the members of the Agency; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”) and the regulations (the “Regulations”) adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, “SEQRA”), by resolution adopted by the members of the Agency on August 21, 2019 (the “SEQR Resolution”), the Agency (A) concurred in the determination that the Village of Penn Yan Planning Board (the “Planning Board”) is the “lead agency” with respect to SEQRA and (B) acknowledged receipt of a negative declaration from the Planning Board dated March 7, 2019 (the “Negative Declaration”), in which the Planning Board determined that the Project will not have a “significant environmental impact on the environment” and accordingly, that an environmental impact statement is not required to be prepared with respect to the Project (as such quoted terms are defined in SEQRA); and

WHEREAS, the Agency has given due consideration to the Application, and to representations by the Company that (A) the granting by the Agency of the Financial Assistance with respect to the Project will be an inducement to the Company to undertake the Project in Yates County, New York and (B) the completion of the Project will not result in the removal of a plant or facility of any proposed occupant of the Project Facility from one area of the State of New York to another area in the State of New York and will not result in the abandonment of one or more plants or facilities of any occupant of the Project Facility located in the State of New York; and

WHEREAS, the Agency desires to encourage the Company to preserve and advance the job opportunities, health, general prosperity and economic welfare of the people of Yates County, New York by undertaking the Project in Yates County, New York; and

WHEREAS, in order to consummate the Project and the granting of the Financial Assistance described in the notice of the Public Hearing, the Agency proposes to enter into the following documents (hereinafter collectively referred to as the “Agency Documents”): (A) a certain lease to agency (the “Lease to Agency” or the “Underlying Lease”) by and between the Company, as landlord, and the Agency, as tenant, pursuant to which the Company will lease to the Agency a portion of the Land and all improvements now or hereafter located on said portion of the Land (collectively, the “Leased Premises”); (B) a certain license agreement (the “License to Agency” or the “License Agreement”) by and between the Company, as licensor, and the Agency, as licensee, pursuant to which the Company will grant to the Agency (1) a license to enter upon the balance of the Land (the “Licensed Premises”) for the purpose of

undertaking and completing the Project and (2) in the event of an occurrence of an Event of Default by the Company, an additional license to enter upon the Licensed Premises for the purpose of pursuing its remedies under the Lease Agreement (as hereinafter defined); (C) a lease agreement (and a memorandum thereof) (the "Lease Agreement") by and between the Agency and the Company, pursuant to which, among other things, the Company agrees to undertake the Project as agent of the Agency and the Company further agrees to lease the Project Facility from the Agency and, as rental thereunder, to pay the Agency's administrative fee relating to the Project and to pay all expenses incurred by the Agency with respect to the Project; (D) a payment in lieu of tax agreement (the "Payment in Lieu of Tax Agreement") by and between the Agency and the Company, pursuant to which the Company will agree to pay certain payments in lieu of taxes with respect to the Project Facility; (E) a uniform agency project agreement (the "Uniform Agency Project Agreement") by and between the Agency and the Company regarding the granting of the financial assistance and the potential recapture of such assistance; (F) a certain recapture agreement (the "Section 875 GML Recapture Agreement") by and between the Company and the Agency, required by the Act, regarding the recovery or recapture of certain sales and use taxes; (G) a sales tax exemption letter (the "Sales Tax Exemption Letter") to ensure the granting of the sales tax exemption which forms a part of the Financial Assistance; (H) a New York State Department of Taxation and Finance form entitled "IDA Appointment of Project Operator or Agency for Sales Tax Purposes" (the form required to be filed pursuant to Section 874(9) of the Act) (the "Thirty-Day Sales Tax Report") and any additional report to the Commissioner of the State Department of Taxation and Finance concerning the amount of sales tax exemption benefit for the Project (the "Additional Thirty-Day Project Report"); (I) if the Company intends to finance the Project with borrowed money, a mortgage and any other security documents and related documents (collectively, the "Mortgage") from the Agency and the Company to the Company's lender with respect to the Project ("the "Lender"), which Mortgage will grant a lien on and security interest in the Project Facility to secure a loan from the Lender to the Company with respect to the Project (the "Loan"); and (J) various certificates relating to the Project (the "Closing Documents");

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF YATES COUNTY INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. All action taken by the Chief Executive Officer of the Agency with respect to the Public Hearing with respect to the Project is hereby ratified and confirmed.

Section 2. The law firm of Hodgson Russ LLP is hereby appointed Agency Counsel to the Agency with respect to all matters in connection with the Project. Agency Counsel for the Agency is hereby authorized, at the expense of the Company, to work with the Company, counsel to the Company, counsel to the Agency and others to prepare, for submission to the Agency, all documents necessary to effect the transactions contemplated by this Resolution. Agency Counsel has prepared and submitted an initial draft of the Agency Documents to staff of the Agency.

Section 3. The Agency hereby finds and determines that:

(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;

(B) The Project constitutes a "project," as such term is defined in the Act;

(C) The Project site is located entirely within the boundaries of Yates County, New York;

(D) It is estimated at the present time that the costs of the planning, development, acquisition, construction, reconstruction and installation of the Project Facility (collectively, the “Project Costs”) will be approximately \$4,435,000;

(E) The completion of the Project will not result in the removal of a plant or facility of any proposed occupant of the Project Facility from one area of the State of New York to another area in the State of New York and will not result in the abandonment of one or more plants or facilities of any occupant of the Project Facility located in the State of New York;

(F) Although the Project does constitute a project where facilities or property that are primarily used in making retail sales to customers who personally visit such facilities constitute more than one third of the total project cost, the Project is a “tourist destination facility” (as defined in the Act);

(G) The granting of the Financial Assistance by the Agency with respect to the Project will promote and maintain the job opportunities, general prosperity and economic welfare of the citizens of Yates County, New York and the State of New York and improve their standard of living, and thereby serve the public purposes of the Act;

(H) The Agency has reviewed the Public Hearing Report and has fully considered all comments contained therein;

(I) The Project should receive the Financial Assistance in the form of exemption from sales tax, mortgage recording taxes and real property taxes based on the description of expected public benefits to occur as a result of this Project, as described on **Exhibit A** attached hereto and failure by the Company to meet the expected public benefits will result in a recapture event, as described on **Exhibit B** attached hereto; and

(J) It is desirable and in the public interest for the Agency to enter into the Agency Documents.

Section 4. In consequence of the foregoing, the Agency hereby determines to: (A) accept the License Agreement; (B) lease the Project Facility to the Company pursuant to the Lease Agreement; (C) acquire, construct and install the Project Facility, or cause the Project Facility to be acquired, installed and constructed; (D) enter into the Payment in Lieu of Tax Agreement; (E) enter into the Uniform Agency Project Agreement; (F) enter into the Section 875 GML Recapture Agreement; (G) secure the Loan by entering into the Mortgage; and (H) grant the Financial Assistance with respect to the Project.

Section 5. The Agency is hereby authorized (A) to acquire a license in the Licensed Premises pursuant to the License Agreement, (B) to acquire a leasehold interest in the Leased Premises pursuant to the Underlying Lease, (C) to acquire title to the Equipment pursuant to a bill of sale (the “Bill of Sale to Agency”) from the Company to the Agency, and (D) to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisitions are hereby approved, ratified and confirmed.

Section 6. The Agency is hereby authorized to acquire, construct and install the Project Facility as described in the 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, construction and installation are hereby ratified, confirmed and approved.

Section 7. The Chairman (or Vice Chairman) of the Agency, with the assistance of Agency Counsel and/or Special Counsel, is authorized to negotiate and approve the form and substance of the Agency Documents.

Section 8. (A) The Chairman (or Vice Chairman) of the Agency is hereby authorized, on behalf of the Agency, to execute and deliver the Agency Documents, and, where appropriate, the Secretary (or Assistant Secretary) of the Agency is hereby authorized to affix the seal of the Agency thereto and to attest the same, all in the forms thereof as the Chairman (or Vice Chairman) shall approve, the execution thereof by the Chairman (or Vice Chairman) to constitute conclusive evidence of such approval.

(B) The Chairman (or Vice Chairman) of the Agency is hereby further authorized, on behalf of the Agency, to designate any additional Authorized Representatives of the Agency (as defined in and pursuant to the Lease Agreement).

Section 9. 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 Agency Documents, and to execute and deliver all such additional certificates, instruments and documents, to 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 Agency Documents binding upon the Agency.

Section 10. This Resolution shall take effect immediately.

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

|                  |        |        |
|------------------|--------|--------|
| Gene Pierce      | VOTING | Yes    |
| Jerry Hiller     | VOTING | Absent |
| Rita Gow         | VOTING | Yes    |
| Dr. Kim Williams | VOTING | Yes    |
| Sirene Garcia    | VOTING | Yes    |
| William Holgate  | VOTING | Yes    |
| Jim Willson      | VOTING | Yes    |

The foregoing Resolution was thereupon declared duly adopted.

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

I, the undersigned (Assistant) Secretary of Yates County Industrial Development Agency (the “Agency”), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on August 21, 2019 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the “Open Meetings Law”), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 21<sup>st</sup> day of August, 2019.

\_\_\_\_\_  
(Assistant) Secretary

(SEAL)



EXHIBIT A

DESCRIPTION OF THE EXPECTED PUBLIC BENEFITS

In the discussions had between the Project Beneficiary and the Agency with respect to the Project Beneficiary’s request for Financial Assistance from the Agency with respect to the Project, the Project Beneficiary has represented to the Agency that the Project is expected to provide the following benefits to the Agency and/or to the residents of Yates, New York (the “Public Benefits”):

| Description of Benefit |   | Applicable to Project<br>(indicate Yes or NO) |                             | Expected Benefit  |
|------------------------|---|---|-----------------------------|---|
| 1.                     | Retention of existing jobs  | <input checked="" type="checkbox"/> Yes       | <input type="checkbox"/> No | 21 full time equivalent and 2 part time existing jobs at the Project Facility.  |
| 2.                     | Creation of new permanent jobs  | <input checked="" type="checkbox"/> Yes       | <input type="checkbox"/> No | 13 full time equivalent and 17 part time new jobs at the Project Facility within 3 years of the date hereof.  |
| 3.                     | Creation of construction employment for local labor (i.e., labor resident in the area comprised of Yates, Seneca, Ontario, Monroe, Wayne, Livingston, Orleans, Genesee and Wyoming (or six other contiguous counties, including Steuben County, selected at the Agency’s discretion)) | <input checked="" type="checkbox"/> Yes       | <input type="checkbox"/> No | Average of <b>32</b> full time equivalent construction jobs at the Project Facility for local labor during an estimated construction period of approximately 11 months, commencing no later than within 2 month of the date hereof.         |
| 4.                     | Private sector investment   | <input checked="" type="checkbox"/> Yes       | <input type="checkbox"/> No | \$4,435,000 at the Project Facility within 2 years of the date hereof.  |
| 5.                     | Attract customers from outside the Economic Development Region  | <input checked="" type="checkbox"/> Yes       | <input type="checkbox"/> No | The undertaking of the Project will result in increased use of the Hotel, and result in significant increase in conference center business in Yates County (nearest areas for conferences are located in Geneva (outside of Yates County)). |

## **EXHIBIT B**

### **DESCRIPTION OF THE RECAPTURE EVENTS**

In connection with the Project and the granting of the Financial Assistance, the Agency and the Project Beneficiary agree that the following shall constitute recapture events with respect to the Project and the granting of the Financial Assistance:

- (1) failure to complete the acquisition, construction, and installation of the Project Facility;
- (2) failure by the Company to meet the Employment Level/Local Purchases Level requirements contained in Section 3.02(D)(1) of the Uniform Agency Project Agreement;
- (3) liquidation of substantially all of the Company's operating assets and/or cessation of substantially all of the Company's operations;
- (4) relocation of all or substantially all of Company's operations at the Project Facility to another site, or the sale, lease or other disposition of all or substantially all of the Project Facility;
- (5) transfer of jobs equal to at least fifteen percent (15%) of the Company's Employment Level out of Yates County, New York;
- (6) failure by the Company to comply with the annual reporting requirements or to provide the Agency with requested information;
- (7) sublease of all or part of the Project Facility in violation of the Basic Documents;
- (8) a change in the use of the Project Facility, other than as a hotel facility, to include a commercial hotel banquet facility and conference center, and other directly and indirectly related uses; or
- (9) failure by the Company to make an actual investment in the Project by the Completion Date equal to or exceeding 80% of the Total Project Costs as set forth in the Application.

S. Griffin reported the Town of Torrey's Planning Board met on Monday night. They are willing to be the Lead Agency for the SEQR process for the Greenidge Generation, LLC Data Center project. S. Griffin reported that the Torrey Planning Board will be doing a coordinated review. They have asked for a resolution asking for our consent for Town of Torrey Planning Board to be lead agency for the project. ***A motion was made by Dr. K. Williams and seconded by W. Holgate to consent to authorize the Town of Torrey to be the Lead Agency for the Greenidge Generation, LLC Data Center project. Motion passed.***

S. Griffin generally reviewed the public hearing comments from the Greenidge Generation, LLC Data Center's public hearing that was held yesterday. We will distribute copies of the minutes to you as soon as we have them completed. S. Griffin reported the comments were regarding the quality of water, additional harmful algae blooms, concerns about the fish screens not being installed yet. S. Griffin reported Greenidge Generation, LLC's environmental attorney attended the public hearing and reported that Greenidge is ahead of all timetables and is meeting or exceeding all requirements. S. Griffin reported that because of the current PILOT with Greenidge Generation, LLC we need to grant NYSEG an easement consent. NYSEG needs to replace the power line that goes under the lake. S. Griffin reported that the easement was a huge document and he just received the easement late Tuesday but did forward to Joe Scott for his review. S. Griffin we need to approve the easement contingent on attorney's review. ***A motion was made by W. Holgate and seconded by Dr. K. Williams to consent the easement to NYSEG contingent on Attorney review of legal documentation. Motion passed.***

W. Holgate inquired if anyone knows what is going on with the old cable? John Christensen reported yes, NYSEG would be removing the cable due to PCB's. There was discussion on this. G. Pierce asked J. Christensen if he could forward the article he wrote on this cable to the Board. J. Christensen replied if you go the Chronicle Express website and do a search you should be able to find it.

S. Griffin reported that we need to pass a resolution to authorize the CEO to hold a public hearing for the Savour Finger Lakes, LLC project. S. Griffin reported that M. Lipari has been the lead on this project. S. Griffin reported the Savour Finger Lakes, LLC project consists acquisition and construction of 2,880 square foot tasting room. The business is more of an experience-based venue including premium wine and food pairings. S. Griffin reviewed the Community Profile which consists of \$1,300,000 total projected capital investment for this project. The company will be creating 5 full time jobs over three years. S. Griffin reported the company will pay \$37,349.22 in PILOT payments over 10 years. S. Griffin reported the total company investment over ten years would be \$2,963,349. The total economic benefit of the project over ten years is \$3,453,349. S. Griffin reported the total projected benefit to the Company over ten years is \$90,759. S. Griffin reported that is close enough to the \$100,000 that we should hold a public hearing. S. Griffin reported that the company investment to community investment ratio is 38:1.

***The following resolution was offered by Dr. Kim Williams, seconded by Jim Willson, to wit:***

***RESOLUTION AUTHORIZING THE CHIEF EXECUTIVE OFFICER OF YATES COUNTY INDUSTRIAL DEVELOPMENT AGENCY TO HOLD A PUBLIC HEARING REGARDING A PROPOSED PROJECT TO BE UNDERTAKEN FOR THE BENEFIT OF SAVOUR FINGER LAKES LLC.***

WHEREAS, Yates County Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 113 of the 1975 Laws of New York, as amended, constituting Section 893-b of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred

to as the “Act”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of manufacturing, warehousing, research, commercial and industrial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their 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 acquire, construct, reconstruct and install one or more “projects” (as defined in the Act), or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, Savour Finger Lakes LLC, a State of New York limited liability company (the “Company”), has submitted an application (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, which Application requested that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in a parcel of land containing approximately 8.17 acres located at 655 Route 14 (Tax Map # 19.58-1-1.11) in the Town of Benton, Yates County, New York (the “Land”), (2) the construction on the Land of an approximately 7,000 square foot mix-use production, storage, office, tasting room, kitchen and outdoor area facility (the “Facility”) and (3) the acquisition and installation of certain machinery and equipment therein and thereon (the “Equipment”) (the Land, the Facility and the Equipment hereinafter collectively referred to as the “Project Facility”), all of the foregoing to constitute a Farm Winery to include a tasting room and outdoor area and any other directly or indirectly related activities; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, pursuant to Section 859-a of the Act, prior to the Agency providing any “financial assistance” (as defined in the Act) of more than \$100,000 to any project, the Agency, among other things, must hold a public hearing pursuant to Section 859-a of the Act with respect to said project; and

WHEREAS, the Agency desires to provide for compliance with the provisions of Section 859-a of the Act with respect to the Project;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF YATES COUNTY INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS:

Section 1. The Agency hereby authorizes the Chief Executive Officer of the Agency, after consultation with the members of the Agency and Agency Counsel, (A) to establish the time, date and place for a public hearing of the Agency to hear all persons interested in the Project (the “Public Hearing”); (B) to cause the Public Hearing to be held in a city, town or village where the Project Facility is or is to be located, and to cause notice of such Public Hearing to be given to the public by publishing a notice or notices of such Public Hearing in a newspaper of general circulation available to the residents of the governmental units where the Project Facility is or is to be located, such notice or notices to comply with the requirements of Section 859-a of the Act; (C) to cause notice of the Public Hearing to be given to the chief executive officer of the county and of each city, town, village and school district in which the Project Facility is or is to be located to comply with the requirements of Section 859-a of the Act; (D) to conduct such Public

Hearing; (E) to cause a report of the Public Hearing fairly summarizing the views presented at such Public Hearing (the “Report”) to be prepared; and (F) to cause a copy of the Report to be made available to the members of the Agency.

Section 2. The Chairman, Vice Chairman and/or 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 3. All action taken by the Chief Executive Officer of the Agency in connection with the Public Hearing with respect to the Project prior to the date of this Resolution is hereby ratified and confirmed.

Section 4. This Resolution shall take effect immediately.

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

|                  |        |        |
|------------------|--------|--------|
| Gene Pierce      | VOTING | Yes    |
| Jerry Hiller     | VOTING | Absent |
| Rita Gow         | VOTING | Yes    |
| Dr. Kim Williams | VOTING | Yes    |
| Sirene Garcia    | VOTING | Yes    |
| William Holgate  | VOTING | Yes    |
| Jim Willson      | VOTING | Yes    |

The foregoing Resolution was thereupon declared duly adopted.

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

I, the undersigned (Assistant) Secretary of Yates County Industrial Development Agency (the “Agency”), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on August 21, 2019 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the “Open Meetings Law”), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 21<sup>st</sup> day of August, 2019.

\_\_\_\_\_  
(Assistant) Secretary

(SEAL)

D Jensen reviewed the fire alarm upgrade bids for the second floor where Catholic Charities will be moving to. Bids were sent to four fire alarm contractors; one contractor did come and look. D. Jensen reported we only received one bid from Covert Security Inc. The bid was in the amount of \$12,540. ***A motion was made by J. Willson and seconded by Dr. K. Williams to approve the fire alarm upgrade bid to Covert Security, Inc for \$12,540. Motion passed.***

D. Jensen reviewed the roof bids. Roof bids were sent to seven contractors, two came back in the mail. D. Jensen received one bid from D. E. Miller Company. D. Jensen reported the bid spec was written from the spec the roof consultant had written for us. J. Christensen reported that the St. Mark's church had a flat roof that leaked and they had a pitched roof constructed over the flat roof and have not had any issues to date. After much discussion, the roof bids were tabled.

D. Jensen reported that we need to reapprove the CSEA lease for Suite 206 as they didn't get moved in until May. Suite 206 is 765 square feet at \$600/month. The lease is for two years. S. Griffin reported we need to make sure lease payments we receive and our lease dates match. ***A motion was made by Dr. K. Williams and seconded by S. Garcia to authorize the Chair to sign the lease with CSEA as presented. Motion passed.***

S. Griffin reviewed the background on the Appraisals needed for two separate properties. S. Griffin reported that we need appraisals for the remaining land at Horizon Business Park and for 2442 Old Route 14A. S. Griffin reported that Kevin Bailey is a principal of Keuka Appraisal Services, Inc. S. Griffin disclosed that he has a business relationship with Kevin Bailey, unrelated to Keuka Appraisal Services, Inc. and that he has no interest in Keuka Appraisal Services, Inc. S. Griffin reported that Kevin Bailey will not be completing the appraisals himself.

Steve Griffin left the meeting at this time.

D Jensen reviewed the two appraisals. The appraisal for Horizon Business Park which consists of 17.45 acres is \$750. The appraisal for 2442 Old Route 14A which is 84.60 acres is \$1,800. J. Willson inquired if the appraisals would be summary appraisals. D. Jensen replied yes. ***A motion was made by Dr. K. Williams and seconded by R Gow to move forward with Keuka Appraisal Services, Inc. for the two appraisals at a cost not to exceed \$2,550. Motion passed.***

G. Pierce reported that we need to replace J. Willson on our board. ***A motion was made by R. Gow and seconded by S. Garcia to recommend Ryan Hallings to the YC Legislature for appointment to the FLEDC Board. Motion passed.***

S. Griffin thanked Jim Willson for his time on the board and wished him the best. S. Griffin commented that it is a great loss to the community.

J. Willson stated it has been a pleasure to serve on the board. It has been amazing the projects, and other things that have happened in the last six years to the community. It has been an honor to participate.

***A motion was made by Dr. K. Williams and seconded by W. Holgate to adjourn the meeting at 9:20 A.M.***

Respectfully submitted,

Doreen J. Jensen

