

`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**

October 16, 2019

FLEDC MEMBERS PRESENT:       Gene Pierce  
  Ryan Hallings  
  Jerry Hiller  
  Rita Gow  
  Dr. Kim Williams

FLEDC MEMBERS ABSENT:       Sirene Garcia  
  William Holgate

STAFF:                               Steve Griffin  
  Mike Lipari  
  Mike Seppala  
  Doreen Jensen

GUESTS:                             Kevin McAuliffe, Barclay Damon  
  Dale Irwin, Greenidge Generation  
  Taylor Fitch  
  John Christensen, Chronicle Express  
  Doug Paddock

Chair G. Pierce called the meeting to order at 8:01 A.M.

Roll call was taken; a quorum was present.

**AGENDA CHANGES**

G. Pierce announced the following agenda changes: the Greenidge Generation, LLC project presentation would be moved to the first item on the agenda and executive session would be moved to the last item on the agenda.

S. Griffin introduced Mike Seppala, Vice President of Operations for the FLEDC to the Board and guests.

Kevin McAuliffe updated the FLEDC on the Greenidge Generation, LLC project. The project has been downsized twice to meet the noise ordinance. K. McAuliffe reported that they received the Lead Agency Neg Dec for SEQR approval and their site plan approval from the Town of Torrey. K. McAuliffe reported we should have the amended application with the total project at \$34,352,000 for the first 30 megawatts of power for data mining. The goal is to use 80 megawatts for data mining. The project has gone from 30 containers to 16 containers down to 4 containers. The rest of the servers will be placed in the plant. Greenidge Generation, LLC plans on using 12 megawatts for self-mining and use 18 megawatts for data center customers. K. McAuliffe they will have to pay sales tax on fuel and data mining that is leased. Greenidge Generation is asking for \$2.2 million in sales tax exemption and will be paying approximately \$1.6 million in sales tax a year. K. McAuliffe reported their schedule is to be operational by the end of the year.

## MINUTES

*A motion was made by R. Gow and seconded by Dr. K. Williams to approve the September 18, 2019 minutes as written. Motion passed.*

## FINANCE COMMITTEE

D. Jensen reviewed the September Financials and all bills to be paid. The total cash value of checks presented today is \$33,483.10 from the checking account and \$36,738.11 for the Revolving Loan Fund. Check numbers for the checking account are #1002-1009, 265-266, 71-72 for payroll and checks #4989-5008 for the monthly expenditures. The Revolving Loan Fund check numbers are #1274-1275. *A motion was made by R. Hallings and seconded by Dr. K. Williams to approve the September financials, and to pay all bills submitted totaling \$33,483.10 from the checking account and \$36,738.11 from the Revolving Loan Fund with the check numbers presented. Motion passed.*

Receivables and the loan reports were reviewed

## MANAGEMENT REPORT

D. Jensen reported the roof work should be completed in the next week if the weather holds.

J. Hiller inquired if the formal audit report from NYS Comptroller's Office was in? S. Griffin replied no. J. Hiller inquired if a brief abbreviated version of the NYS Comptroller's Auditors recommendations could be distributed to the board? Staff will draft the recommendations for the board.

M. Lipari reported on the Penn Yan and Dundee School 10<sup>th</sup> grade Career Day held last Thursday. There were approximately 130 students that attended. There was a minor organizational glitch in the beginning but all went well. M. Lipari reported that the students were very engaged, asked lots of good questions and lots of positive feedback was received. Chaperones also had positive feedback. The Committee will have a debriefing meeting in a couple of weeks. S. Griffin and M. Lipari have already discussed changes.

M. Lipari reported the Community table dinner went well and that 45% of ticket sales will be donated to the Friends of the Outlet Trail. There was lots of positive feedback and the Committee is planning on doubling the event for next year. The Tourism Advisory Committee recommended \$5,000 in funding for the event. There will be formal approval by the Legislature in November. The date for the 2020 Community Dinner will be September 12<sup>th</sup>, 2020. M. Lipari reported that a presentation ceremony of funds will be scheduled soon.

M. Lipari updated the Board on the status of the DRI project process. A couple of projects have received their draft incentive proposals for their individual projects. The project letters are coming in slowly. A couple of the projects are waiting on their grant agreements. R. Gow inquired who had received their proposals? M. Lipari reported that Teresa Hoban received a draft proposal and that Stacy Mirinaviciene has had conversations with ESD but is still waiting for her proposal. M. Lipari also reported that the FLEDC has received their project grant agreement.

R. Gow asked to be reminded on who the recipients of the Main Street Grant are? M. Lipari reported that the following projects were utilizing the Main Street Grant: Laurentide Beer Company, Keuka Restaurant, Cams New York Pizzeria, and Mike Mullins who owns 9 Main Street. M. Lipari reported that Cam's New York Pizzeria was opting out of the grant, due to the State Historic Preservation Office mandating they repair existing windows versus replacing. The requirements make the project cost prohibitive Jerry Hiller commented that they would need a good restoration architect to help them. J. Christensen recommended that they talk to Chris Wright about his renovations to his building.

S. Griffin reported that the ACT Rochester Regional report cards came out. S. Griffin reported the report did make note that Yates County has a large Mennonite Community that could impact demographic data. M. Zelazny and S. Griffin met

with Common Ground Health to discuss undertaking a study that shows the impact of Mennonites in our community. Common Ground Health has received State funding to look into different health impacts.

S. Griffin reported he is working on another quote for live streaming of our meetings. The issue in live streaming is we are required to have ownership of the streams. S. Griffin reported that we are also looking into the new requirement that we have to send all our resolutions to all school board members certified return receipt. G. Pierce inquired if the live streaming was just our board meetings but all committee meetings to? S. Griffin reported it is all board meetings and public hearing meetings.

## **NEW BUSINESS**

S. Griffin reviewed the 2020 budget. There was discussion and questions on the proper accounting of land sales and gain of sales and capital reserves. The vote on the 2020 budget was postponed until after Executive Session.

D. Jensen reported the FLX International, LLC lease needs to be renewed. This is a three-year lease for 1,688 square feet office/shop space. First year at \$4.50 square foot which is \$633/month and second and third year at \$5.00 square foot which is \$703 /month. *A motion was made by Dr. K. Williams and seconded by J. Hiller to authorize the Chair sign the lease with FLX International, LLC as presented. Motion passed.*

D. Jensen reviewed the Catholic Charities of Steuben County lease for the expanded space that Catholic Charities Community Services had just vacated. This is a two-year lease for 2,385 square feet at \$1,430 per month. They will pay their own utilities. *A motion was made by Dr. K. Williams and seconded by R. Gow to authorize the Chair sign the lease with Catholic Charities of Steuben County as presented. Motion passed.*

D. Jensen reported that Catholic Charities of Steuben County has requested a sign to be put in the grass out front next to the other Catholic Charities Community Services sign. S. Griffin suggested the sign request on hold until we can finish formulating our signage plan for Keuka Business Park. A picture of the sign will be requested from Catholic Charities of Steuben County as well.

S. Griffin inquired if anyone had any questions regarding the Greenidge Generation project? If not, we can proceed with presenting resolutions for the project.

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

***RESOLUTION CONCURRING IN THE DETERMINATION BY TOWN OF TORREY PLANNING BOARD, AS LEAD AGENCY FOR THE ENVIRONMENTAL REVIEW OF THE GREENIDGE GENERATION 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 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, in July, 2019, Greenidge Generation LLC, a State of 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 “Original 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 located at 590 Plant Road in the Town of Torrey, Yates County, New York (Tax Map # 40.03-1-1.111), containing in the aggregate approximately 139.20 acres (the “Original Land”), (2) the construction on the Land of a new data processing facility to contain approximately thirty (30) separate metal box type units installed on gravel pads, together with a storm water management system (collectively, the “Original Facility”), and (3) the acquisition and installation therein and thereon of certain machinery and equipment (the “Original Equipment”) (the Original Land, the Original Facility and the Original Equipment hereinafter collectively referred to as the “Original Project Facility”), all of the foregoing to be owned and operated by the Company and to constitute a data processing facility and other directly and 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 estate transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Original 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 July 17, 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 Original 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 Original Project and the financial assistance being contemplated by the Agency with respect to the Original Project, to be mailed on July 19, 2019 to the chief executive officers of Yates County, the Town of Torrey and the Penn Yann Central School District, (B) caused notice of the Public Hearing to be posted (1) on July 19, 2019 on the Agency’s website and also on a public bulletin board located at the Yates County Courthouse, located at 415 Liberty Street in the Village of Dresden, Yates County, New York, (2) on July 22, 2019 on the public bulletin board located at the Town of Torrey Town Hall, located at 56 Geneva Street in the Village of Dresden, Yates County, New York and (3) on July 22, 2019 on the public bulletin board located at the Village of Dresden Village Hall, located at 3 Firehouse Avenue in the Village of Dresden, Yates County, New York, (C) caused notice of the Public Hearing to be published July 24, 2019 in The Chronicle Express, a newspaper of general circulation available to the residents of Town of Torrey, New York, (D) conducted the Public Hearing on August 20, 2019 at 9:00 a.m. o’clock, local time at the Town of Torrey Meeting Room located at 56 Geneva Street in the Village of Dresden, Town of Torrey, 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, the Company has, subsequent to the Public Hearing, modified the scope of the Original Project by reducing the number of metal box units to be installed on the Original Project site, and, accordingly, the project (the “Project”), as modified, is now described as follows: (A) (1) the acquisition of an interest in a parcel of land located at 590 Plant Road in the Town of Torrey, Yates County, New York (Tax Map # 40.03-1-1.111), containing in the aggregate approximately 139.20 acres (the “Land”), (2) the construction on the Land of a new data processing facility to contain approximately four (4) separate metal box type units installed on gravel pads, together with the construction of a storm water management system thereon (collectively, the “Facility”), and (3) the acquisition and installation therein and thereon of certain machinery and equipment (the “Equipment”) (the Land, the Facility and the Equipment hereinafter collectively referred to as the “Project Facility”), all of the foregoing to be owned and operated by the Company and to constitute a data processing facility and other directly and 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 and real estate transfer 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

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 Town of Torrey 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 October 14, 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>Yes</u>
Rita Gow	VOTING	<u>Yes</u>
Dr. Kim Williams	VOTING	<u>Yes</u>
William Holgate	VOTING	<u>Absent</u>
Ryan Hallings	VOTING	<u>Yes</u>
Sirene Garcia	VOTING	<u>Absent</u>

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 October 16, 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 16th day of October, 2019.

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

(SEAL)

EXHIBIT A  
NEGATIVE DECLARATION  
-SEE ATTACHED-



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

**RESOLUTION AUTHORIZING EXECUTION OF DOCUMENTS IN CONNECTION WITH A LEASE/LEASEBACK TRANSACTION FOR A PROJECT FOR GREENIDGE GENERATION 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 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, in July, 2019, Greenidge Generation LLC, a State of 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 "Original 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 located at 590 Plant Road in the Town of Torrey, Yates County, New York (Tax Map # 40.03-1-1.111), containing in the aggregate approximately 139.20 acres (the "Original Land"), (2) the construction on the Land of a new data processing facility to contain approximately thirty (30) separate metal box type units installed on gravel pads, together with a storm water management system (collectively, the "Original Facility"), and (3) the acquisition and installation therein and thereon of certain machinery and equipment (the "Original Equipment") (the Original Land, the Original Facility and the Original Equipment hereinafter collectively referred to as the "Original Project Facility"), all of the foregoing to be owned and operated by the Company and to constitute a data processing facility and other directly and 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 estate transfer taxes and mortgage recording taxes (collectively, the "Financial Assistance"); and (C) the lease (with an obligation to purchase) or sale of the Original 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 July 17, 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 Original 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 Original Project and the financial assistance being contemplated by the Agency with respect to the Original Project, to be mailed on July 19, 2019 to the chief executive officers of Yates County, the Town of Torrey and the Penn Yann Central School District, (B) caused notice of the Public Hearing to be posted (1) on July 19, 2019 on the Agency's website and also on a public bulletin board located at the Yates County Courthouse, located at 415 Liberty Street in the Village of Dresden, Yates County, New York, (2) on July 22, 2019 on the public bulletin board located at the Town of Torrey Town Hall, located at 56 Geneva Street in the Village of Dresden, Yates County, New York and (3) on July 22, 2019 on the public bulletin board located at the Village of Dresden Village



Hall, located at 3 Firehouse Avenue in the Village of Dresden, Yates County, New York, (C) caused notice of the Public Hearing to be published July 24, 2019 in The Chronicle Express, a newspaper of general circulation available to the residents of Town of Torrey, New York, (D) conducted the Public Hearing on August 20, 2019 at 9:00 a.m. o'clock, local time at the Town of Torrey Meeting Room located at 56 Geneva Street in the Village of Dresden, Town of Torrey, 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, the Company has, subsequent to the Public Hearing, modified the scope of the Original Project by reducing the number of metal box units to be installed on the Original Project site, and, accordingly, the project (the "Project"), as modified, is now described as follows: (A) (1) the acquisition of an interest in a parcel of land located at 590 Plant Road in the Town of Torrey, Yates County, New York (Tax Map # 40.03-1-1.111), containing in the aggregate approximately 139.20 acres (the "Land"), (2) the construction on the Land of a new data processing facility to contain approximately four (4) separate metal box type units installed on gravel pads, together with the construction of a storm water management system thereon (collectively, the "Facility"), and (3) the acquisition and installation therein and thereon of certain machinery and equipment (the "Equipment") (the Land, the Facility and the Equipment hereinafter collectively referred to as the "Project Facility"), all of the foregoing to be owned and operated by the Company and to constitute a data processing facility and other directly and 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 and real estate transfer 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

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 October 16, 2019 (the "SEQR Resolution"), the Agency (A) concurred in the determination that the Town of Torrey 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 issued on October 14, 2019 (the "Negative Declaration"), in which the Planning Board determined that the Project would not have a significant adverse environmental impact on the environment, and therefore, that an environmental statement need not be prepared with respect to the Project; 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 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; (E) 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; (F) 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; (G) 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”); and (H) 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 and installation of the Project Facility (collectively, the “Project Costs”) will be approximately \$34,352,259;

(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) The Project does not constitute a project where facilities or property that are primarily used in making retail sales of goods or services to customers who personally visit such facilities constitute more than one-third of the costs of the Project;

(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 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 Section 875 GML Recapture Agreement; and (E) 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, 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	Yes
Rita Gow	VOTING	Yes
Dr. Kim Williams	VOTING	Yes
William Holgate	VOTING	Absent
Ryan Hallings	VOTING	Yes
Sirene Garcia	VOTING	Absent

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 October 16, 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 \_\_\_ day of October, 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 (indicate Yes or NO)		Expected Benefit
1.	Retention of existing jobs	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	16 full time equivalent existing jobs at the Project Facility.
2.	Creation of new permanent jobs	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	10 full time equivalent 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 described in the Application)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Average of 25 full time equivalent construction jobs at the Project Facility.
4.	Private sector investment	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	\$34,352,259 at the Project Facility.
5.	Attract customers from outside the Economic Development Region	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Not Applicable.



## **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 certain events, substantially in the following form, 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 data processing facility 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.

Kevin McAuliffe and Dale Irwin left the meeting at 8:44 A.M.

S. Griffin reported that Sally Prather would like to lease a 150 square foot office on the first floor known as Suite 115. The lease is for 1 year at \$265 a month. ***A motion was made by R. Hallings and seconded by Dr. K. Williams to authorize the Chair sign the lease with Sally Prather as presented. Motion passed.***

S. Griffin reported that he had received two carpet bids for carpet replacement that will be in the new FLEDC office. S. Griffin reported we had received two carpet bids for carpet tiles. S. Griffin reported that the carpet tile has a lifetime warranty. S. Griffin reported we can go with a lower grade carpet tile and take approx. \$2,000 off the bid. After discussion, it was recommended to proceed with the original, higher quality carpet in the bid. The following bids were received: Church Creative Flooring at \$7,594.30 and Cole's Furniture at \$7,843.76. ***A motion was made by R. Gow and seconded by Dr. K. Williams to award the carpet bid to the lowest bidder of Church Creative Flooring. Motion passed.***

D. Jensen reported in order to meet the ABO board packet guidelines, we need to either change our board meeting date or allow the CFO to receive bank statements online through online banking. This would only be for Community Bank and Bank of the Finger Lakes. There was discussion on utilizing online bill paying. ***A motion was made by J Hiller and seconded by R. Gow to authorize the CFO to access online banking to receive bank statements for Community Bank and Bank of the Finger Lakes. Motion passed.***

***A motion was made by R. Hallings and seconded by R. Gow to suspend the Finger Lakes EDC meeting at 8:56 A.M. Motion passed.***

***A motion was made by Dr. K. Williams and seconded by R. Hallings to reconvene the Finger Lakes EDC meeting at 9:05 A.M. Motion passed.***

***A motion was made by R. Hallings and seconded by R. Gow to go into Executive Session with the FLEDC Board and the CEO at 9:05 A.M. to discuss the employment history of FLEDC Employees. Motion passed.***

***The CEO was asked to leave Executive Session at 9:15 A.M.***

***A motion was made by J. Hiller and seconded by R. Gow to come out of Executive Session at 9:59 A.M. Motion passed.***

There was no action taken in Executive Session.

R. Gow reported that the Personnel Committee reviewed changes in compensation. ***A motion was made by R. Hallings and seconded by Dr. K. Williams to recommend the Personnel Committee recommendations. Motion passed.***

M. Lipari reported that we have been working with the New York Hop Guild who helped find a buyer for the hop processor and they are ready to put a down payment on the equipment. ***A motion was made by Dr. K. Williams and seconded by R. Gow to negotiate to sell the hop processor in an amount not less than \$20,000. Motion passed.***

S. Griffin reported the 2020 budget still needed to be approved. There was discussion on removing Land Sales from revenues and changing Agency Fees to \$320,000. ***A motion was made by Dr. K. William and seconded by R. Gow to approve the 2020 budget with the changes discussed. Motion passed.***

***A motion was made by R. Hallings and seconded by J. Hiller to adjourn the meeting at 10:13. Motion passed.***

Respectfully submitted,

Doreen J. Jensen

