

APPROVING RESOLUTION

As a result of the public health emergency created by COVID-19, the Federal, State and local bans on meetings or gatherings, and pursuant to the Governor's Executive Order 202.1 issued on March 12, 2020 suspending the Open Meetings Law, as extended on September 2, 2021, the City of Syracuse Industrial Development Agency (the "**Agency**") held a meeting on the 18th day of January, 2022, at 8:00 a.m., local time, electronically which was made available via Webex at: <https://syrgov.webex.com/syrgov/j.php?MTID=m51fc952b52f12c638cb14009303a5c56> (or by accessing the link on the Agency's website) and using meeting number 2345 369 3068 and password wmJTsQAq264; or via telephone at (408) 418-9388 with access code: 2345 369 3068, in conjunction with the matter set forth below.

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

MEMBERS PRESENT VIA TELE/VIDEOCONFERENCE (in accordance with the Governor's Executive Order 202.1): Kathleen Murphy, Steven Thompson, Rickey T. Brown, Kenneth Kinsey and Dirk Sonneborn

THE FOLLOWING PERSONS WERE ALSO PRESENT VIA TELE/VIDEOCONFERENCE (in accordance with the Governor's Executive Order 202.1): Staff Present: Judith DeLaney, Susan Katzoff, Esq. and Lori McRobbie; Others Present: Christopher Bianchi, Michael Collins, Aimee Durfee, Jessica Barbuto

The following resolution was offered by Dirk Sonneborn and seconded by Steven Thompson:

RESOLUTION APPROVING AN INCREASE IN THE AMOUNT OF FINANCIAL ASSISTANCE AWARDED TO THE PROJECT; AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS IN CONNECTION THEREWITH

WHEREAS, the City of Syracuse Industrial Development Agency (the "**Agency**") is authorized and empowered by Title 1 of Article 18-A of the General Municipal Law of the State of New York (the "**State**"), as amended, together with Chapter 641 of the Laws of 1979 of the State of New York, as amended from time to time (collectively, the "**Act**"), to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, for the purpose of promoting economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State, to improve their recreation opportunities, prosperity and standard of living; and

WHEREAS, previously, at the request of JMA Tech Properties, LLC and Ranalli/Taylor St., LLC (collectively, the "**Company**"), the Agency undertook a project (the "**Project**") consisting of: (A)(i) the acquisition of an interest in thirteen parcels of real property (three of which are improved as noted below) totaling in the aggregate approximately 4.3 acres of land

located at 120-154 Cortland Ave. & Tallman St. (improved by an approximate 119,000 sq. ft. building the "**Original Coyne Building**"); 1022 Clinton St. S. (improved by an approximate 7,200 sq. ft. building the "**Gabriel Building**"); 1051 Clinton St. S. (improved by an approximate 2,352 sq. ft. building the "**Wastewater Building**"), 1029, 1033, 1049, 1049 (rear) and 1080-82 Clinton St. S.; 222-24 Tallman St. & Clinton St. S. and 226 Tallman St.; 980-82 Salina St. S., 1002-22 Salina St. S. & Cortland Ave. and 1024-40 Salina St. S. and Tallman St., all located in the City of Syracuse, New York (collectively, the "**Land**"); (ii) the demolition of the Wastewater Building, the Gabriel Building and various structures located on the north side of the Original Coyne Building as well as approximately 64,000 sq. ft. of the Original Coyne Building leaving approximately 54,550 sq. ft. of the building (the "**Coyne Building**"); (iii) the reconstruction and renovation of the Coyne Building and the construction of a one-story approximately 40,000 sq. ft. building connected by an atrium to the Coyne Building, all to house, among other things, manufacturing space, corporate and production engineering offices, testing, assembly, manufacturing and support spaces, a client experience center, restrooms, warehouse and loading dock areas all located on the Land; (iv) site improvements on the Land including for truck access and surface parking for approximately 94 vehicles ((ii)-(iv), collectively the "**Facility**"); and (v) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "**Equipment**" and together with the Land and the Facility, the "**Project Facility**"); (B) the granting of certain financial assistance in the form of exemptions from real estate taxes (solely on the following parcels 120-154 Cortland Ave. & Tallman St. and 1051 Clinton St. S., collectively, the "**PILOT Parcels**"), State and local sales and use tax and mortgage recording tax (in accordance with Section 874 of the General Municipal Law) (collectively the "**Financial Assistance**"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, construction, reconstruction, renovation and equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement; and

WHEREAS, by resolution adopted by the Agency on June 16, 2020 (the "**SEQRA Resolution**") the Agency determined that the acquisition, construction and equipping of the Project will not have a significant effect on the environment; and

WHEREAS, in June, 2020, the Company and Agency entered into a lease transaction to effectuate the undertaking of the Project and the conference of the approved Financial Assistance (the "**Lease Transaction**") and executed numerous documents in conjunction therewith, including but not limited to, a company lease agreement, an agency lease agreement, a project agreement, a payment in lieu of taxes agreement and an environmental compliance and indemnification agreement, each dated as of June 30, 2020 (collectively, the "**Lease Documents**"). As part of the Lease Documents, and for purposes of undertaking and completing the Project Facility, the Company was appointed as the agent of the Agency through December 31, 2021 (the "**Appointment**"), and was awarded an amount not to exceed \$1,590,000 in exemptions from State and local sales and use tax (the "**Original Sales Tax Exemption**"); and

WHEREAS, as of January 12, 2022 the Company had realized approximately \$1,450,000 of the Original Sales Tax Exemption; and

WHEREAS, by correspondence and supplemental application each dated December 16, 2021 (collectively, the "**Supplemental Application**"), the Company advised that the Project experienced certain delays as well as an increase in costs due to COVID-19 related labor shortages or absences as well as extended material lead times. As such, the Company has requested an increase in the exemptions previously awarded for both State and local sales and use tax and mortgage recording tax; and

WHEREAS, the Company has advised that its Project costs have increased from \$26,027,000 to \$31,527,000 and therefore is requesting an additional \$200,000 in State and local sales and use tax exemptions (the "**Additional Sales Tax Exemption**"); and

WHEREAS, the Company originally anticipated mortgage financing in the amount of \$20,000,000, based upon anticipated Project costs at the time, resulting in an approved mortgage recording tax exemption of approximately \$150,000 (the "**Original MRTE**"); but as set forth above and in the Supplemental Application, the anticipated amount of the mortgage financing is now approximately \$30,000,000 (the "**Financing**") resulting in the need for a mortgage recording tax exemption of approximately \$225,000, representing an increase over the Original MRTE of approximately \$75,000 (the "**Additional MRTE**" and together with the Additional Sales Tax Exemption, collectively, the "**Additional Financial Assistance**"); and

WHEREAS, the Agency conducted a public hearing with respect to the Company's request for Additional Financial Assistance on January 18, 2022 pursuant to Section 859-a of the Act, notice of which was published on January 6, 2022 in the Post-Standard, a newspaper of general circulation in the City of Syracuse, New York and given to the chief executive officers of the affected tax jurisdictions by letter dated January 5, 2022; and

WHEREAS, the Agency has given due consideration to the request for Additional Financial Assistance and to representations by the Company that the proposed Additional Financial Assistance: (i) will facilitate the Company's ability to finance the Project; and (ii) undertaking the Project has advanced, and will continue to advance, job opportunities in the State and promote the general prosperity and economic welfare of the inhabitants of the City of Syracuse in furtherance of the purposes of the Act;

WHEREAS, the approval of the Additional Financial Assistance and the execution and delivery of the documents related thereto will not result in a change to the Project as originally considered and therefore no further SEQRA action is required.

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

(1) Based upon the representations made by the Company to the Agency, the Agency hereby makes the following findings and determinations:

- (a) The Additional Financial Assistance does not amount to a significant change in the Project from what was originally approved by the Agency, and therefore no further review under SEQRA is required.

- (b) Subject to there being no event of default existing under the current Lease Documents, the Agency authorizes the award of the Additional Financial Assistance as set forth herein.
- (c) The Chair, Vice Chair and/or the Executive Director of the Agency, acting individually, are each hereby authorized and directed, for and in the name and on behalf of the Agency, to work with counsel to execute and deliver any and all documents and to do and cause to be done any such other acts and things, as they determine, on advice of counsel to the Agency, may be necessary or desirable to consummate the transactions contemplated by this Resolution, including any documents necessary to evidence and confer the Additional Financial Assistance.

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

(4) As additional conditions precedent to the award of the Additional Financial Assistance, the Company shall: (i) pay all fees associated with the Project and the Additional Financial Assistance and all related amendments, including but not limited to any Agency fee, administrative fees and legal fees; (ii) provide proof of required insurance; and (iii) confirm there is no event of default under the existing Lease Documents.

(5) Bousquet Holstein, PLLC is counsel to the Agency and shall assist the Agency in carrying out the actions necessary pursuant hereto.

(6) The Secretary 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.

(7) This Resolution shall take effect immediately. A copy of this Resolution, together with the attachments hereto, shall be placed on file in the office of the Agency where the same shall be available for public inspection during business hours.

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

	<u>AYE</u>	<u>NAY</u>
Kathleen Murphy	X	
Steven Thompson	X	
Rickey T. Brown	X	
Kenneth Kinsey	X	
Dirk Sonneborn	X	

The foregoing Resolution was thereupon declared duly adopted.

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

I, the undersigned Secretary of the City of Syracuse Industrial Development Agency, **DO HEREBY CERTIFY** that I have compared the annexed extract of the minutes of the meeting of the City of Syracuse Industrial Development Agency (the “*Agency*”) held on January 18, 2022, with the original thereof on file in my office, and that the same (including all exhibits) is a true and correct copy of the proceedings of the Agency and of the whole of such original insofar as the same relates to the subject matters referred to therein.

I FURTHER CERTIFY that: (i) all members of the Agency had due notice of such meeting; (ii) pursuant to Section 104 of the Public Officers Law (Open Meetings Law), as temporarily amended by Executive Order 202.1 issued on March 12, 2020 (“*EO 202.1*”), as amended and extended from time to time, such meeting was open to the general public and public notice of the time and how to participate in such meeting was duly given in accordance with such Section 104 and EO 202.1; (iii) the meeting was in all respects duly held; and (iv) there was a quorum present throughout.

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 set my hand and affixed the seal of the Agency on 1/25/2022 _____.

City of Syracuse Industrial Development Agency

DocuSigned by:

65E35E032BE24D9...

Rickey T. Brown, Secretary

(S E A L)