

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 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 21st day of December, 2021, at 8:00 a.m., local time, electronically which was made available via Webex at: <https://syrgov.webex.com/syrgov/j.php?MTID=m0c155f0243b1c6fd3716ff6da5838f4e> (or by accessing the link on the Agency's website) and using meeting number 2336 227 5805 and password ggVpMJt6q36; or via telephone at (408) 418-9388 with access code: 2336 227 5805, 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:

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

THE FOLLOWING PERSONS WERE ALSO PRESENT VIA TELE/VIDEOCONFERENCE (in accordance with the Governor's Executive Order 202.1): Staff Present: Susan Katzoff, Esq. and Lori McRobbie; Others Present: Timothy Lynn, Esq., Christopher Bianchi, Scott Dumas, Kevin Delaney, Gail Montplaisir, Merike Treier, Gail Cawley, Mark Jenkins, Owen Kerney and Matthew Paulus

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

RESOLUTION APPROVING AN EXTENSION OF THE APPOINTMENT OF THE COMPANY AND ITS SUB-AGENTS AS AGENTS OF THE AGENCY UNTIL JUNE 30, 2022; AUTHORIZING A PUBLIC HEARING WITH RESPECT TO AN INCREASE IN THE AMOUNT OF FINANCIAL ASSISTANCE FOR THE PROJECT; AND AUTORIZING THE EXECUTION AND DELIVERY OF ANY AND ALL NECESSARY DOCUMENTS

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 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, 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 both an extension of their Appointment from December 31, 2021 to June 30, 2022 to provide them an opportunity to complete the Project (the "*Extension*") as well as an increase in the exemptions previously awarded for both sales and use tax and mortgage recording tax, all as part of the Project; 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 a mortgage 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 is now \$30,000,000 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, as of December 16, 2021 the Company had realized approximately \$1,450,000 of the Original Sales Tax Exemption; and

WHEREAS, the Extension and the Additional Financial Assistance are each in furtherance of the Financial Assistance that was previously approved for the Project, which underwent an environmental review by the Agency pursuant to the State Environmental Quality Review Act ("*SEQRA*"), and the present sales tax appointment extension request is insubstantial and does not require reconsideration or further review by the Agency under SEQRA; and

WHEREAS, because the amount of the Additional Financial Assistance exceeds \$100,000, a new public hearing pursuant to 859-a of the Act is required with respect thereto.

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, including but not limited to there being no event of default under the Lease Documents, the Agency hereby makes the following findings and determinations:

(a) The granting of the Extension or the Additional Financial Assistance does not require reconsideration or further review by the Agency under SEQRA.

(b) Authorizes a public hearing to be held in conjunction with the Additional Financial Assistance.

(c) The Agency authorizes the Extension for purposes of completing the Project through and including June 30, 2022, conditioned upon the Company: (i) representing and warranting that there are no events of default under any of the Lease Documents or any sub-agent agreement; (ii) confirming that all insurance executed and delivered in conjunction with the Project and the Lease Documents remains in full force and effect all in accordance with the Lease Documents and will submit to the Agency proof of insurance naming the Agency as an additional insured pursuant to the Agency's requirements under the Lease Documents; (iii) submitting to the Agency any applicable information requested by the Agency with respect to the Extension - so that they can accurately track and report Project and Financial Assistance information as required under the Act; (iv) submitting any applicable administrative fees and all legal fees incurred by the Agency in exchange for the Agency's grant of the Extension; and (v) submitting any proof required by the Agency demonstrating that the Company has not realized State and local sales and use tax exemptions in excess of what was authorized for the Project.

(2) The Agency is authorized to execute all documents necessary to effectuate the Extension (collectively, the "***Extension Documents***") including but not limited to issuance of a new Sales Tax Appointment Letter and an amendment or extension of the appropriate "IDA Appointment of Project Operator or Agent for Sales Tax Purposes" (Form ST-60) for each of the Company and any sub-agents in accordance with the Lease Documents; and each the Chair, the Vice Chair and/or the Executive Director of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the documents, to make such other changes, omissions, insertions, revisions, or amendments to the documents referred to herein as the (Vice) Chair deems appropriate. The execution thereof by the Chair, the Vice Chair and/or the Executive Director constitutes conclusive evidence of such approval.

(3) The Company shall execute and deliver any and all documents required by the Agency in connection with the Extension and to carry out the intent of this Resolution; and

(4) The Company shall provide or cause its Additional Agents to provide, and the Agency shall maintain, records of the amount of State and local sales and use tax exemption benefits provided to the Project and the Company shall, and cause each Additional Agent, to make such records available to the Agency and the State Commissioner of Taxation and Finance (the "***Commissioner***") upon request. The Agency shall, within thirty (30) days of providing any State sales and use tax exemption benefits, report to the Commissioner the amount of such benefits for the Project, identifying the Project, along with any such other information and specificity as the Commissioner may prescribe. As a condition precedent to the Company or Project's receipt of, or benefit from, any State or local sales and use tax exemptions, the Company must acknowledge and agree to make, or cause its Additional Agents to make, all records and information regarding State and local sales and use tax exemption benefits realized by the Project available to the Agency or its designee upon request.

(5) 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.

(6) The Secretary of the Agency is hereby authorized and may distribute copies of this Resolution and do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

(7) A copy of this Resolution, together with any 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)

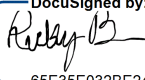
I, the undersigned Secretary of the City of Syracuse Industrial Development Agency, **DO HEREBY CERTIFY** that I have compared the annexed extract of the minutes of the meeting of the City of Syracuse Industrial Development Agency (the "**Agency**") held on December 21, 2021, with the original thereof 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:


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Rickey T. Brown, Secretary

(S E A L)