

**Minutes of the Meeting of the
County of Clinton Industrial Development Agency
December 11, 2017**

The meeting was called to order by T. Trahan, Chairperson, at 12:03 p.m., at the offices of the County of Clinton Industrial Development Agency, 190 Banker Road, Suite 500, Plattsburgh, N.Y.

Members Present: Trent Trahan, Chairperson
David Hoover, Vice Chairperson
Keith Defayette, Treasurer and CFO
Michael Zurlo, Secretary
Kim Murray, Assistant Secretary
John VanNatten, Member

Excused: Mark Leta, Member

Others Present: Melissa McManus, Executive Director
George Cregg, Esq., Agency Counsel
Barbara Shute, Recording Secretary
Kevin Macleod, Bond, Schoeneck & King (SPP)
John Gokey, Saranac Power Partners
Michael Cashman, Town of Plattsburgh
Dan Mannix, Beekmantown Central School
Eric Bell, Beekmantown Central School
Brendan Owens, Beekmantown Central School

T. Trahan declared that a *quorum* was present.

T. Trahan waived the reading of the notice of the meeting published in the *Press-Republican* on December 26, 2016.

Approval of the Minutes:

T. Trahan waived the reading of the minutes of the November 13, 2017 meeting minutes. He asked if there were any questions or discussion regarding the draft minutes and there were none.

On a motion by K. Defayette, seconded by J. VanNatten, it was unanimously carried to approve the minutes of the November 13, 2017 annual meeting, as presented.

Public Comment:

T. Trahan introduced Colin Read, Mayor, City of Plattsburgh. A letter outlining Mayor Read's concerns is attached to these minutes.

Old Business:

M. McManus reviewed the 5th Amendment request from Saranac Power Partners and noted what steps have been taken by staff regarding this request.

Staff Recommendation:

Based upon the analysis that was presented to the Agency by our consultant last month, staff are recommending a 35% reduction in current company local payments.

The distribution of the PILOT is still complicated, since the taxing jurisdictions have not as yet decided on whether or not to pass resolutions authorizing the sliding scale distribution that the Agency has proposed to lessen the immediate impact of pro rata share distribution on the Town and City of Plattsburgh. Without the approval of all taxing jurisdictions, the Agency is limited to setting the PILOT amount, which is then distributed by pro rata share.

Stipulations:

The new PILOT amount will be \$273,000 per year.

If, in any year remaining in the PILOT, the facility's Free Cash Flow (as defined by adding Depreciation and Amortization and Operating Income from audited financial statements) exceeds the 2015 total of \$4,834,000, the amount of the PILOT for that year will be \$420,000.

PILOT is contingent upon a Company agreement with the Town of Plattsburgh that includes:

- Withdrawal of the Company's Article 7 petition
- Acceptance of the current \$32 million assessed value through Years 25-29 of the PILOT (2022).
- A Host Community Agreement payment to the Town of Plattsburgh of \$182,000 per year.
- In the final year of the PILOT, the Town of Plattsburgh will reduce the facility's assessed value such that, in the first year the Company returns to the tax rolls, the new assessed value yields a total of \$455,000 in County, Town and School taxes at current tax rates (excluding special district taxes.)

Distribution of PILOT revenues:

PLAN A:

If the three taxing jurisdictions pass resolutions approving the sliding scale diversion of PILOT revenue by December 15, 2017, the distribution of PILOT revenues will change each year according to the attached sliding scale calculations, gradually moving toward pro rata distribution in the final year of the PILOT.

PLAN B:

Absent passage of resolutions of approval of Plan A by the three taxing jurisdictions by December 15, 2017, PILOT revenue will be distributed to the taxing jurisdictions by pro rata share.

This vote will be to approve the resolution as modified to reflect the conditions as defined in the one-page summary prepared by staff as discussed.

The following resolution was offered by Keith Defayette, seconded by Michael E. Zurlo, to wit:

Resolution No. 12-17-01

RESOLUTION AUTHORIZING (A) A DEVIATION FROM THE AGENCY'S UNIFORM TAX EXEMPTION POLICY AND (B) THE AMENDMENT OF AN EXISTING PILOT AGREEMENT IN CONNECTION WITH THE SARANAC POWER PARTNERS, L.P. PROJECT.

WHEREAS, County of Clinton Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of 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 225 of the 1971 Laws of New York, as amended, constituting Section 895-f 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, 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, on or about December 29, 1992 (the "Closing Date"), the Agency entered into an installment sale agreement dated as of December 29, 1992 (the "Installment Sale Agreement") between the Agency and Saranac Power Partners, L.P. (the "Company") and other related documents for the purpose of undertaking the following project (the "Project") for the benefit of the Company: (A) (1) the acquisition of fee title to, leasehold interests in and certain easements to various parcels of real property located in the Town of Plattsburgh, Clinton County, New York (the "Land"), (2) the construction on the Land of a 240MW natural gas-fired cogeneration facility and related transmission lines and electrical energy interconnection facilities (the "Facility") and (3) the acquisition and installation of various machinery and equipment (the "Equipment") (the Land, the Facility and the Equipment hereinafter collectively referred to as the "Project Facility"); (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 sales taxes, real estate transfer taxes, mortgage recording taxes and real property taxes (the "Financial Assistance"); and (C) the sale of the Project Facility to the Company pursuant to the Installment Sale Agreement; and

WHEREAS, on or about December 29, 1992, the Agency acquired various interests in the Land pursuant to various conveyance documents executed on or about December 29, 1992 from the Company to the Agency; and

WHEREAS, simultaneously with the execution and delivery of the Installment Sale Agreement, (A) the Company and the Agency executed and delivered a payment in lieu of tax agreement dated as of December 29, 1992 (the "Original Payment in Lieu of Tax Agreement", and sometimes hereinafter referred to as the "Existing Payment in Lieu of Tax Agreement") by and among the Agency, the Company and The Development Corporation Clinton County, New York (f/k/a Clinton County Area Development Corp.), as agent (the "Pilot Mortgage Agent") for the Agency and the Town of Plattsburgh (the "Town"),

the Beekmantown Central School District (the "School District") and Clinton County (the "County", and collectively with the Town and the School District, the "Taxing Entities"), pursuant to which the Company agreed to pay certain payments in lieu of taxes with respect to the Project Facility to the Clinton County Treasurer (the "Treasurer") for distribution to the appropriate Taxing Entities entitled to same pursuant to the provisions of the Existing Payment in Lieu of Tax Agreement, (B) the Agency filed with the assessor and mail to the chief executive officer of each "affected tax jurisdiction" (within the meaning of such quoted term in Section 854(16) of the Act) a copy of a New York State Board of Real Property Services Form 412-a (the form required to be filed by the Agency in order for the Agency to obtain a real property tax exemption with respect to the Project Facility under Section 412-a of the Real Property Tax Law) (the "Real Property Tax Exemption Form") relating to the Project Facility and the Existing Payment in Lieu of Tax Agreement, and (C) the Company and the Agency executed and delivered a pilot mortgage dated as of December 29, 1992 (the "Original Pilot Mortgage", and sometimes hereinafter referred to as the "Existing Pilot Mortgage") from the Agency and the Company, as mortgagor, and the Pilot Mortgage Agent, as mortgagee (the "Pilot Mortgagee"), pursuant to which the Company and the Agency agreed to grant to the Pilot Mortgagee a mortgage lien on the Project Facility as security for, among other things, the obligation of the Company to make all payments and all other obligations of the Company for the benefit of the Agency and the Taxing Entities under the Original Payment in Lieu of Tax Agreement (the Installment Sale Agreement, the Original Payment in Lieu of Tax Agreement, the Real Property Tax Exemption Form and the Original Pilot Mortgage being sometimes collectively referred to as the "Basic Documents"); and

WHEREAS, the Original Payment in Lieu of Tax Agreement was amended by a first amendment to payment in lieu of tax agreement dated as of March 1, 2009 (the "First Amendment to Payment in Lieu of Tax Agreement"), and further amended pursuant to a second amendment to payment in lieu of tax agreement dated as of December 1, 2009 (the "Second Amendment to Payment in Lieu of Tax Agreement"), and further amended pursuant to a third amendment to payment in lieu of tax agreement dated as of December 1, 2013 (the "Third Amendment to Payment in Lieu of Tax Agreement") and further amended pursuant to a fourth amendment to payment in lieu of tax agreement dated as of December 1, 2016 (the "Fourth Amendment to Payment in Lieu of Tax Agreement" and collectively with the First Amendment to the Payment in Lieu of Tax Agreement, the Second Amendment to Payment in Lieu of Tax Agreement, the Third Amendment to Payment in Lieu of Tax Agreement and the Original Payment in Lieu of Tax Agreement, the "Existing Payment in Lieu of Tax Agreement"), each by and among the Agency, the Company and The Development Corporation Clinton County, New York (f/k/a Clinton County Area Development Corp.), as agent (the "Pilot Mortgage Agent") for the Agency and the Taxing Entities; and

WHEREAS, currently the Company pays (A) \$420,000 a year to the affected tax jurisdictions pursuant to the Existing Payment in Lieu of Tax Agreement and (B) an additional \$280,000 a year to the Town of Plattsburgh (the "Town") pursuant to a host community agreement (the "Host Community Agreement") between the Company and the Town; and

WHEREAS, pursuant to a request from the Company dated May 31, 2016, as supplemented by additional requests dated June 29, 2016 and May 16, 2017 (collectively, the "Pilot Request"), the Company requested that the Agency amend the Existing Payment in Lieu of Tax Agreement to (A) extend the term thereof through the end of calendar year 2023 and (B) reduce the payments due under the Existing Payment in Lieu of Tax Agreement and the Host Community Agreement by 37.5%; and

WHEREAS, pursuant to the Pilot Request, the Agency, by resolution adopted on August 8, 2016 (the "Public Hearing Resolution"), authorized the Executive Director of the Agency to (A) cause notice of a public hearing of the Agency (the "Public Hearing"), pursuant to Section 859-a of the Act, to be (1) mailed on November 3, 2016 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 (each, an "Affected Tax Jurisdiction"), (2) published on November 11, 2016 in the Press Republican, a local newspaper of general circulation available to the residents of the Town of Plattsburgh, Clinton County, New York and (3) posted on November 7, 2016 on the Agency's website and also as a public bulletin board located at the Town of Plattsburgh offices located at 151 Banker Road in the Town of Plattsburgh, Clinton County, New York, (B) conduct the Public Hearing on November 30, 2016 at 3:00 o'clock p.m. in the office of the Agency located at 190 Banker Road, Suite 500 in the Town of Plattsburgh, Clinton County, New York, (C) prepare a report of the Public Hearing (the "Report") and give a copy of the Report to each member of the Agency, (D) give notice of the proposed deviation from the Agency's uniform tax exemption policy in connection with the Pilot Request (the "Pilot Deviation Notice") to the chief executive officers of the Affected Tax Jurisdictions, and (E) invite comments from said chief executive officers with respect to the Pilot Request; 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 adopted pursuant thereto by the Department of Environmental Conservation of the State of New York, being 6 NYCRR Part 617, as amended (the "Regulations" and collectively with the SEQR Act, "SEQRA"), by the Public Hearing Resolution, the Agency determined that the Pilot Request constitutes a "Type II action" pursuant to 6 NYCRR 617.5(c)(26), and therefor that, pursuant to 6 NYCRR 617.6(a)(1)(i), the Agency has no further responsibilities under SEQRA with respect to the Pilot Request and the requested amendments to the Existing Payment in Lieu of Tax Agreement; and

WHEREAS, in order to give the Agency time to hire an independent consultant intended to provide the Agency with information regarding the financial future and viability of the Project and the impact of the requested amendment to the Existing Payment in Lieu of Tax Agreement, the Agency entered into the Fourth Amendment to Payment in Lieu of Tax Agreement extending the term of the Existing Payment in Lieu of Tax Agreement until the end of calendar year 2017; and

WHEREAS, the Agency has now (A) hired an independent consultant (the "Consultant") to provide the Agency with information regarding the financial future and viability of the Project and the impact of the requested amendment to the Existing Payment in Lieu of Tax Agreement, and (B) received report from the Consultant (the "Consultant's Report") describing the financial future and viability of the Project and the impact of the requested amendment to the Existing Payment in Lieu of Tax Agreement; and

WHEREAS, pursuant to the Pilot Request, the Agency, by resolution adopted on October 16, 2017 (the "Pilot Deviation Notice Resolution"), authorized the Executive Director of the Agency to (A) give notice to the chief executive officers of the affected tax jurisdictions of a proposed revised deviation from the Agency's uniform tax exemption policy in connection with the Pilot Request, a copy of which notice is attached as Exhibit A hereto (the "Pilot Deviation Notice"), and (B) invite comments from said chief executive officers with respect to the Pilot Request; and

WHEREAS, as a result of discussions had by the Agency with the affected tax jurisdictions, the Agency now desires to approve the Pilot Request, subject to the following modifications/conditions (collectively, the "Modifications"):

(A) OPTION A: if the affected tax jurisdictions pass resolutions by December 15, 2017 agreeing that the payments in lieu of tax revenues will be distributed each year in accordance with the sliding scale attached hereto as Schedule I or in accordance with a different agreed upon distribution method (such sliding scale distribution or alternative distribution method being collectively referred to as the "Agreed Distribution Method"), then the Fifth Amendment to Payment in Lieu of Tax Agreement shall provide that (1) the term of the Fifth Amendment to Payment in Lieu of Tax Agreement shall extend through the end of calendar year 2023,

(2) the Fifth Amendment to Payment in Lieu of Tax Agreement shall provide that the Company shall pay an amount equal to \$273,000 per year to the Treasurer for the benefit of the Taxing Entities and (3) the payments received by the Treasurer under the Fifth Amendment to Payment in Lieu of Tax Agreement shall be distributed each year by the Treasurer to the Taxing Entities in accordance with the Agreed Distribution Method, subject to the following contingencies (the "Option A Contingencies"):

(a) on or before March 31 of each calendar year of the term of the Fifth Amendment to Payment in Lieu of Tax Agreement, the Company shall provide to the Agency an audited financial statement (each, an "Audited Financial Statement") showing, among other things, the Project Facility's "free cash flow" (as defined by adding depreciation, amortization and operating income from audited financial statements for the prior fiscal year);

(b) if in any calendar year during the term of the Fifth Amendment to Payment in Lieu of Tax Agreement the Company fails to deliver an Audited Financial Statement to the Agency as required by the preceding clause, or if an Audited Financial Statement delivered to the Agency pursuant to the preceding clause shows that the Project Facility's "free cash flow" (as defined by adding depreciation, amortization and operating income from audited financial statements for the prior fiscal year) exceeds the 2015 total of \$4,834,000, then the payment in lieu of tax payment to be paid by the Company in such calendar year shall be increased to \$420,000; and

(c) the Company and the Town enter into an agreement that includes (1) withdrawal of the Company's Article 7 petition; (2) the Company is required to pay annual payments of at least \$182,000 per year to the Town under the Host Community Agreement; (3) agreement by the Company to accept and not challenge the current \$32 million assessed value on the Project facility through the end of calendar year 2022; and (4) agreement by the Town and the Company that, in calendar year 2023, the Town will reduce the Facility's assessed value such that, in the first year the Project Facility returns to the tax rolls, the new assessed value yields a total of approximately \$455,000 in general taxes payable to the Taxing Entities at current tax rates (excluding special district taxes); OR

(B) OPTION B: if the affected tax jurisdictions do not pass resolutions by December 15, 2017 as described under OPTION A above, then the Fifth Amendment to Payment in Lieu of Tax Agreement shall provide that

(1) the term of the Fifth Amendment to Payment in Lieu of Tax Agreement shall extend through the end of calendar year 2023, (2) the Fifth Amendment to Payment in Lieu of Tax Agreement shall provide that the Company shall pay an amount equal to \$273,000 per year to the Treasurer for the benefit of the Taxing Entities and (3) the payments received by the Treasurer under the Fifth Amendment to Payment in Lieu of Tax Agreement shall be distributed each year by the Treasurer to the Taxing Entities in the same manner as normal taxes would be so distributed (i.e., a pro rata distribution), subject to the following contingencies (the "Option B Contingencies"):

(a) on or before March 31 of each calendar year of the term of the Fifth Amendment to Payment in Lieu of Tax Agreement, the Company shall provide to the Agency an audited financial statement (each, an "Audited Financial Statement") showing, among other things, the Project Facility's "free cash flow" (as defined by adding depreciation, amortization and operating income from audited financial statements for the prior fiscal year);

(b) if in any calendar year during the term of the Fifth Amendment to Payment in Lieu of Tax Agreement the Company fails to deliver an Audited Financial Statement to the Agency as required by the preceding clause, or if an Audited Financial Statement delivered to the Agency pursuant to the preceding clause shows that the Project Facility's "free cash flow" (as defined by adding depreciation, amortization and operating income from audited financial statements for the prior fiscal year) exceeds the 2015 total of \$4,834,000, then the payment in lieu of tax payment to be paid by the Company in such calendar year shall be increased to \$420,000; and

(c) the Company and the Town enter into an agreement that includes (1) withdrawal of the Company's Article 7 petition; (2) the Company is required to pay annual payments of at least \$182,000 per year to the Town under the Host Community Agreement; (3) agreement by the Company to accept and not challenge the current \$32 million assessed value on the Project facility through the end of calendar year 2022; and (4) agreement by the Town and the Company that, in calendar year 2023, the Town will reduce the Facility's assessed value such that, in the first year the Project Facility returns to the tax rolls, the new assessed value yields a total of approximately \$455,000 in general taxes payable to the Taxing Entities at current tax rates (excluding special district taxes); and

WHEREAS, having complied with the requirements of Section 859-a of the Act and with the requirements of SEQRA relating to the Fifth Amendment to Payment in Lieu of Tax Agreement, the Agency now desires to make its final determination whether to proceed with the Fifth Amendment to Payment in Lieu of Tax Agreement and to authorize the execution and delivery of the Fifth Amendment to Payment in Lieu of Tax Agreement incorporating the Modifications;

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

Section 1. The Agency hereby finds and determines as follows:

(A) The has complied with the requirements of Section 859-a of the Act and the requirements of SEQRA that relate to the Fifth Amendment to Payment in Lieu of Tax Agreement and the Pilot Request.

(B) The Agency has considered any and all responses from the affected tax jurisdictions to the Pilot Deviation Notice.

(C) The Agency has reviewed and responded to any written comments received from any affected tax jurisdiction with respect to the proposed Pilot Request.

(D) The Agency has given reviewed the Consultant's Report and the comments received from the affected tax jurisdictions with respect to the proposed Pilot Request and Fifth Amendment to Payment in Lieu of Tax Agreement, and proposes to implement the Modifications, subject to the applicable contingencies.

Section 2. Based on the findings and determinations in Section 1 above and subject to the Contingency, the Agency hereby determines to deviate from the Agency's uniform tax exemption policy with respect to the terms of the proposed Fifth Amendment to the Payment in Lieu of Tax Agreement, said Fifth Amendment to the Payment in Lieu of Tax Agreement to contain the terms requested in the Pilot Request, as modified by the Modifications and subject to the applicable contingencies.

Section 3. Upon preparation by counsel to the Agency of a Fifth Amendment to Payment in Lieu of Tax Agreement reflecting the terms of this resolution and approval of same by the Chairperson (or Vice Chairperson) of the Agency, the Chairperson (or Vice Chairperson) of the Agency is hereby authorized, on behalf of the Agency, to execute and deliver the Fifth Amendment to Payment in Lieu of Tax Agreement, 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 such form as is approved by the Chairperson (or Vice Chairperson), the execution thereof by the Chairperson (or Vice Chairperson) to constitute conclusive evidence of such approval.

Section 4. 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 Fifth Amendment to Payment in Lieu of Tax Agreement, 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 Fifth Amendment to Payment in Lieu of Tax Agreement binding upon the Agency.

Section 5. 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:

Trent Trahan	VOTING	Yes
David Hoover	VOTING	Yes
Michael E. Zurlo	VOTING	Yes
Kim Murray	VOTING	Yes
Keith Defayette	VOTING	Yes
Mark Leta	VOTING	EXCUSED
John VanNatten	VOTING	Yes

The foregoing Resolution was thereupon declared duly adopted.

Recess IDA Meeting

On a motion by J. VanNatten, seconded by D. Hoover, it was unanimously carried to recess the IDA meeting at 12:55 pm to conduct committee meetings.

Reconvene IDA Meeting

On a motion by K. Defayette, seconded by K. Murray, it was unanimously carried to reconvene the IDA meeting at 1:07 pm.

Treasurer's Report:

K. Defayette reviewed the Treasurer's Report for November 2017. There were no questions or concerns from the board.

On a motion by J. VanNatten, seconded by D. Hoover, it was unanimously carried to approve the Treasurer's Report as presented by K. Defayette.

Committee Reports:

Audit Committee:

K. Defayette noted that the committee met and are recommending that the full board accept the committee recommendation and approve to initiate the 2017 Agency audit.

On a motion by K. Murray, seconded by J. VanNatten, it was unanimously carried to accept the committee recommendation and approve the initiation of the 2017 Agency audit.

Finance Committee:

K. Defayette noted that the committee met and are recommending that the full board adopt the proposed 2018 budget and authorize posting the same to PARIS.

On a motion by D. Hoover, seconded by K. Murray, it was unanimously carried to adopt the proposed 2018 budget and authorize posting the same to PARIS.

Governance Committee:

M. Zurlo noted that the committee met and reviewed the 2017 annual reports and are recommending board approval of the following:

- 2017 CCIDA Mission and Operations Statement
- 2017 CCIDA Operations and Accomplishments Report
- 2017 CCIDA Performance Measures Report
- 2017 CCIDA Procurement Report
- 2017 CCIDA Real Property report
- 2017 CCIDA Investment Report

On a motion by K. Defayette, seconded by K. Murray, it was unanimously carried to accept the recommendation of the committee and approve the 2017 annual reports as presented and authorize posting of same to PARIS.

Old Business:

2. The Development Corporation – PIA Project

M. McManus reviewed the project and noted all of the required steps have been taken including holding the public hearing which was held prior to the regular meeting. There was no one in attendance at that meeting.

Today the members are being asked to approve the transcript of the public hearing and to take action on the approving resolution.

Approval of Public Hearing Transcript

On a motion by M. Zurlo, seconded by K. Defayette, it was unanimously carried to approve the transcript of the public hearing as presented.

Approving Resolution

The following resolution was offered by K. Defayette, seconded by D. Hoover, to wit:

Resolution No. 12-17-02

RESOLUTION AUTHORIZING EXECUTION OF DOCUMENTS IN CONNECTION WITH A LEASE/LEASEBACK TRANSACTION FOR A PROJECT FOR THE DEVELOPMENT CORPORATION CLINTON COUNTY, NEW YORK (THE "COMPANY").

WHEREAS, County of Clinton 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 225 of the 1971 Laws of New York, as amended, constituting Section 895-f 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, The Development Corporation Clinton County, New York, a New York not-for-profit corporation (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 an approximately 8 acre parcel of land located on Arizona Avenue in the Plattsburgh International Airport (being a portion of Tax Map No. 233.-1-20.11) in the Town of Plattsburgh, Clinton County, New York (the “Land”), together with an approximately 2,750 square foot building located thereon, (the “Existing Facility”), (2) the demolition of the Existing Facility and construction on the Land of an approximately 60,000 square foot building and other site improvements including, but not limited to loading docks (the “Facility”) and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property (collectively, the “Equipment”) (the Land, the Existing Facility, the Facility, and the Equipment hereinafter collectively referred to as the “Project Facility”), all of the foregoing to constitute a warehouse/manufacturing/industrial facility to be leased to various tenants 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 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 November 13, 2017 (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 Executive Director 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 November 28, 2017 to the chief executive officers of the county and of each city, town, village and school district in which the Project is or is to be located; (B) caused notice of the Public Hearing to be posted on November 28, 2017 on a bulletin board located at the Town of Plattsburgh Town Hall located at 151 Banker Road in the Town of Plattsburgh, Clinton County, New York, as well on the Agency’s website; (C) caused notice of the Public Hearing to be published on December 1, 2017 2017 in the The Press Republican, a newspaper of general circulation available to the residents of Clinton County, New York; (D) conducted the Public Hearing on December 11, 2017 at 10 o’clock a.m., local time at the offices of the Agency located at 190 Banker Road, Suite 500 in the Town of Plattsburgh, Clinton County, New York; and (E) prepared a report of the Public Hearing (the “Hearing Report”) fairly summarizing the views presented at such Public Hearing and caused copies of said 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 November 13, 2017 (the “SEQR Resolution”), the Agency (A) concurred in the determination that Clinton County (the “County”) is the “lead agency” with respect to SEQRA and (B) acknowledged receipt of a negative declaration from the County dated September 22, 2017 (the “Negative Declaration”), in which the County determined the Project to be an “unlisted action” that 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 Clinton 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 Clinton County, New York by undertaking the Project in Clinton 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 project benefits agreement (the “Uniform Project Benefits 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 COUNTY OF CLINTON INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. All action taken by the Executive Director 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, 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 Clinton 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 \$8,498,346;

(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) (1) The Project Facility does not constitute a project where facilities or property that are primarily used in making retail sales of goods and/or services to customers who personally visit such facilities constitute more than one-third of the total cost of the Project, and accordingly the Project is not prohibited by the provisions of Section 862(2)(a) of the Act, and

(2) accordingly the Agency is authorized to provide financial assistance in respect of the Project pursuant to Section 862(2)(a) of 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 Clinton 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 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, real property tax and mortgage recording 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 Payment in Lieu of Tax Agreement; (E) enter into the Uniform Project Benefits 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 Chairperson (or Vice Chairperson) 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 Chairperson (or Vice Chairperson) 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 Chairperson (or Vice Chairperson) shall approve, the execution thereof by the Chairperson (or Vice Chairperson) to constitute conclusive evidence of such approval.

(B) The Chairperson (or Vice Chairperson) 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:

Trent Trahan	VOTING	YES
David Hoover	VOTING	YES
Michael E. Zurlo	VOTING	YES
Keith Defayette	VOTING	YES
Kim Murray	VOTING	YES
Mark Leta	VOTING	EXCUSED
John VanNatten	VOTING	ABSTAIN

The foregoing Resolution was thereupon declared duly adopted.

New Business:

1. Northstar 41, LLC Job Creation Extension

M. McManus noted that she had recently completed her annual site visit at the facility. The company has several prospects they are currently working.

Staff have spoken with Empire State Development and they have no concerns with the IDA granting another extension.

The following resolution was offered by D. Hoover, Seconded by K. Murray, to wit:

Resolution No. 12-17-03

RESOLUTION AUTHORIZING THE EXECUTION BY CLINTON INDUSTRIAL DEVELOPMENT ACQUISITION, LLC (THE "COMPANY") OF A FOURTH AMENDMENT TO THE PURCHASE AND SALE AGREEMENT IN CONNECTION WITH THE FORMER WYETH/PFIZER CHAZY FACILITY.

WHEREAS, County of Clinton 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 225 of the 1971 Laws of New York, as amended, constituting Section 895-f 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, 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, on March 12, 2012, the Agency adopted a resolution approving the formation of Clinton Industrial Development Acquisition, LLC (the “Company”), which Company was formed on March 19, 2012, in connection with the following transaction (the “Transaction”): acceptance of a gift of title to the former Wyeth/Pfizer Chazy facility (constituting approximately 55 acres of land with existing buildings thereon containing approximately 300,000 square feet of space) (hereinafter, the “Project Facility”); and

WHEREAS, on April 15, 2013, the Company and Northstar Private Capital LLC (the “Purchaser”) entered into a purchase and sale agreement in connection with the Transaction (the “Purchase and Sale Agreement”); and

WHEREAS, in May, 2015, Section 17(h) of the Purchase and Sale Agreement was amended (the “First Amendment”), which First Amendment extended the term of the job creation requirement by six months; and

WHEREAS, pursuant to a request dated November 27, 2017 (the “Fourth Request”), which Fourth Request is attached hereto as Exhibit A, the Purchaser has again requested an amendment to the Purchase and Sale Agreement (the “Fourth Amendment”), which Fourth Amendment will extend the term of the job creation requirement pursuant to Section 17(h) of the Purchase and Sale Agreement by one year; and

WHEREAS, Empire State Development Corporation (“ESDC”) has informed the Agency that ESDC has no objection to the Fourth Amendment; 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 adopted pursuant thereto by the Department of Environmental Conservation of the State of New York, being 6 NYCRR Part 617, as amended (the “Regulations” and collectively with the SEQR Act, “SEQRA”), the Agency must satisfy the requirements contained in SEQRA prior to making a final determination whether to proceed with the Fourth Amendment; and

WHEREAS, pursuant to SEQRA, the Agency has examined the Fourth Amendment in order to make a determination as to whether the Fourth Amendment is subject to SEQRA, and it appears that the Fourth Amendment constitutes a Type II action under SEQRA;

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

Section 1. Based upon an examination of the Fourth Amendment, the Agency hereby makes the following determinations:

(A) The Fourth Amendment constitutes a “Type II action” pursuant to 6 NYCRR 617.5(c)(26), and therefore that, pursuant to 6 NYCRR 617.6(a)(1)(i), the Agency has no further responsibilities under SEQRA with respect to the Fourth Amendment.

(B) That since compliance by the Agency with the Fourth Amendment will not result in the Agency providing more than \$100,000 of “financial assistance” (as such quoted term is defined in the Act), Section 859-a of the Act does not require a public hearing to be held with respect to the Fourth Amendment.

Section 2. In consequence of the foregoing, the Agency, as the sole member of the Company, and on behalf of the Company, hereby: (A) consents to the Fourth Amendment and (B) authorizes the Agency, solely in its capacity as the sole member of the Company and on behalf of the Company, to execute and deliver the Fourth Amendment, subject to (a) approval by counsel to the Agency of the form of the Fourth Amendment, (b) receipt by the Agency of its administrative fee relating to the Fourth Amendment, if any, and all fees and expenses incurred by the Agency with respect to the Fourth Amendment, including the fees and expenses incurred by Agency counsel with respect thereto and (c) the following additional conditions: None.

Section 3. Subject to (A) satisfaction of the conditions contained in Section 2 hereof and (B) the execution and delivery of the Fourth Amendment by the other parties thereto, each of the Chairman (or Vice Chairman) or Executive Director of the Agency is hereby authorized, solely in its capacity as the sole member of the Company and on behalf of the Company, to execute and deliver on behalf of the Company the Fourth Amendment and any related documents contemplated thereby and approved by counsel to the Agency (the “Company 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, said Company Documents to be in substantially the forms approved by Counsel to the Agency, with such changes, variations, omissions and insertions as the Chairman (or Vice Chairman) or Executive Director shall approve, the execution thereof by the Chairman (or Vice Chairman) or Executive Director to constitute conclusive evidence of such approval.

Section 4. 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 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 this Resolution.

Section 5. 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:

Trent Trahan	VOTING	YES
David Hoover	VOTING	YES
Michael E. Zurlo	VOTING	YES
Kim Murray	VOTING	YES
Keith Defayette	VOTING	YES
Mark Leta	VOTING	EXCUSED
John VanNatten	VOTING	<u>YES</u>

The foregoing Resolution was thereupon declared duly adopted.

Management Team Reports:

Project Monitoring

M. McManus is continuing to conduct annual site visits.

Project Status Updates: None

Executive Directors Report: None

With no further items to discuss the meeting was adjourned at 1:19 pm.



T. Trahan, Chairperson