



FitzGerald Morris
Baker Firth
Attorneys & Counselors

Kara I. Lais
Partner
kil@fmbf-law.com

October 22, 2021

Certified Mail Return Receipt Requested

Samuel J. Hall, Chairman
Washington County Board of Supervisors
383 Broadway, Building B
Fort Edward, New York 12828

James S. Griffith, Supervisor
Town of White Creek
28 Mountainview Drive
Cambridge, New York 12816

Dr. Douglas Silvernell, Superintendent
Cambridge Central School District
24 South Park Street
Cambridge, New York 12816

Re: Notice of Public Hearing – Flyin’ Dutch Enterprises LLC Project

Dear Gentlemen:

Enclosed is a notice of public hearing for the above referenced project. The public hearing will take place on November 3, 2021, at 9:15 am local time, via ZOOM as indicated in the notice.

A copy of the resolution setting the public hearing and a copy of the resolution approving of the assignment are also included for your review.

The application indicates that the total estimated project cost is \$6,810,000.00. The estimated sales tax exemption amount is estimated at \$192,500.00 based on \$2,750,000.00 in eligible purchases. The estimated real property tax abatement is estimated at \$726,845.00 based on a 10 year term with 100% abatements on the improvements for 5 years and a 50% abatement on the improvements for an additional 5 years.

If you have any questions concerning this matter, please feel free to contact me. Thank you.

Very truly yours,

Kara I. Lais

cc: WWIDA Chairman

Alie Weaver, WWIDA Office Administrator

Glens Falls Office: 68 Warren Street, P.O. Box 2017, Glens Falls, NY 12801 | Hudson Falls Office: 3019 State Route 4, Hudson Falls, NY 12839

Cambridge Office: 49 West Main Street, Cambridge, NY 12816 | Salem Office: 190 Main Street, Salem, NY 12865

Phone: 518.745.1400 | Fax: 518.745.1576 | www.fmbf-law.com

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a public hearing pursuant to Article 18-A of the New York State General Municipal Law will be held by the Counties of Warren and Washington Industrial Development Agency (the "Agency") on the 3rd day of November, 2021, at 9:15 am local time, via ZOOM at the meeting information below, in accordance with Legislation S. 50001/A. 40001, amending subpart A of part BB of Chapter 56 of the Law of 2001 , in connection with the following matter at:

<https://us02web.zoom.us/j/87363961543?pwd=Yit4RktUVDNDdVRRV2J4Ylh5WndEdz09>

Meeting ID: 873 6396 1543

Passcode: 136534

Dial by your location

+1 646 558 8656 US (New York)

Find your local number: <https://us02web.zoom.us/u/khqBbsqMz>

Flyin' Dutch Enterprises LLC, a limited liability company established pursuant to the laws of the State of New York, having an address of 879 Route 22, Cambridge, New York 12816 (the "Company") has requested that the Agency provide financial assistance in the form of a partial real property tax abatement and sales tax abatements regarding a manufacturing project (the "Project") to consist of: (i) the acquisition by the Agency of a leasehold interest in certain real property located at 879 Route 22 in the Town of White Creek, County of Washington, New York (the "Land"); (ii) the planning, design, construction, renovation, operation and maintenance by the Company of an approximately 39,000+/- square foot facility to be used by the Company for the manufacture and processing of Cannabis (collectively, the "Improvements"); (iii) the acquisition of and installation in and around the Land and Improvements by the Company of machinery, equipment, fixtures and other items of tangible personal property (the "Equipment" and, collectively with, the Land and the Improvements, the "Facility"); and (iv) entering into a straight lease transaction (within the meaning of subdivision (15) of Section 854 of the Act), pursuant to which the Agency will retain a leasehold interest in the Facility for a period of time and sublease such interest in the Facility back to the Company (the "Straight Lease Transaction"), all pursuant to Title 1 of Article 18-A of the General Municipal Law of the State of New York, Chapter 862 of the Laws of 1971 of the State of New York (collectively, the "Act"), as amended.

The Agency may be providing financial assistance with respect to the Project in the form of sales tax exemptions related to the construction and equipping of the Project Facility, a mortgage recording tax exemption on eligible mortgages and a payment in lieu of taxes, which are consistent with the policies of the Agency. Should other financial assistance be requested, it shall be consistent with the policies of the Agency.

A representative of the Agency will be in attendance at the above-stated time and place to hear and accept written comments from all persons with views in favor of or opposed to the granting of financial assistance contemplated by the Agency or the location or nature of the Facility. The application of the Company is available for public inspection during normal business hours at the offices of the Agency, located at 5 Warren Street, Glens Falls, New York 12801.

Minutes of the hearing will be made available to all necessary parties.

Counties of Warren and Washington
Industrial Development Agency
David O'Brien, Chairman
Published: October 22, 2021

Adopted September 20, 2021

Introduced by N. Caimano
who moved its adoption.

Seconded by D. Bruno

**RESOLUTION ACCEPTING AN APPLICATION FOR FINANCIAL ASSISTANCE
SUBMITTED BY 879 ROUTE 22 LLC (THE "COMPANY") RELATING TO A
CERTAIN PROJECT; AUTHORIZING A PUBLIC HEARING WITH RESPECT TO
THE PROJECT; AND DESCRIBING THE FINANCIAL ASSISTANCE BEING
CONTEMPLATED BY THE AGENCY WITH RESPECT TO THE PROJECT**

WHEREAS, 879 Route 22 LLC, a limited liability company established pursuant to the laws of the State of New York, having an address of 879 Route 22, Cambridge, New York 12816 (the "Company") has requested that the Agency provide financial assistance in the form of a partial real property tax abatement and sales tax abatements regarding a manufacturing project (the "Project") to consist of: (i) the acquisition by the Agency of a leasehold interest in certain real property located at 879 Route 22 in the Town of White Creek, County of Washington, New York (the "Land"); (ii) the planning, design, construction, renovation, operation and maintenance by the Company of an approximately 39,000+/- square foot facility to be used by the Company for the manufacture and processing of Cannabis (collectively, the "Improvements"); (iii) the acquisition of and installation in and around the Land and Improvements by the Company of machinery, equipment, fixtures and other items of tangible personal property (the "Equipment" and, collectively with, the Land and the Improvements, the "Facility"); and (iv) entering into a straight lease transaction (within the meaning of subdivision (15) of Section 854 of the Act), pursuant to which the Agency will retain a leasehold interest in the Facility for a period of time and sublease such interest in the Facility back to the Company (the "Straight Lease Transaction"), all pursuant to Title 1 of Article 18-A of the General Municipal Law of the State of New York, Chapter 862 of the Laws of 1971 of the State of New York (collectively, the "Act"), as amended; and

WHEREAS, Chapters 356 and 357 of the Laws of 1993 require that prior to granting financial assistance of more than \$100,000.00 to any project, an Agency must (i) adopt a resolution describing the project and the financial assistance contemplated by the Agency with respect thereto, and (ii) hold a public hearing in the city, town or village where the project proposes to locate upon at least ten (10) days published notice and, at the same time, provide notice of such hearing to the Chief Executive Officer of each affected taxing jurisdiction within which the project is located; and

WHEREAS, the Agency is in the process of reviewing and considering the Company's Application requesting the Agency to provide financial assistance for the proposed Project (collectively the "Financial Assistance") in the form of (i) an exemption from all State and local sales and use taxes with respect to qualifying personal property included in and incorporated into the Facility or used in the acquisition, construction or equipping of the Facility and (ii) a partial real property tax abatement through a payment in lieu of tax agreement (the "PILOT

Agreement”), pursuant to which the Company would make payments in lieu of real property taxes to each affected tax jurisdiction (the “Affected Tax Jurisdictions”), all of which shall be consistent with the uniform tax exemption policy of the Agency; and

WHEREAS, the Agency desires to (i) accept the Application; (ii) authorize the scheduling and conduct of a public hearing; and (iii) negotiate, but not enter into an Agent Agreement and Project Agreement, pursuant to which the Agency will designate the Company as its agent for the purpose of acquiring, constructing and equipping the Project, and Lease Agreement, a Leaseback Agreement and related Payment in lieu of Tax Agreement with the Company.

NOW, THEREFORE, BE IT RESOLVED:

1. The Company has presented an Application in a form acceptable to the Agency. Based upon the representations made by the Company to the Agency in the Company’s Application, the Agency hereby finds and determines that:
 - (a) Pursuant to 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; and
 - (b) The Agency has the authority to take the actions contemplated herein under the Act; and
 - (c) The action to be taken by the Agency will induce the Company to develop the Project, thereby increasing employment opportunities in Warren and Washington Counties, New York, and otherwise furthering the purposes of the Agency as set forth in the Act; and
 - (d) The Project will result in the removal of a commercial, industrial, or manufacturing plant of the Company or any other proposed occupant of the Project from one area of the State of New York (the “State”) to another area of the State or result in the abandonment of one or more plants or facilities of the Company, but based on information provided by the Company, including the inability to expand at its current location, lack of workforce at its current location, proximity to transportation options and its desire not to relocate outside of New York, the Agency has determined that the relocation within the State is determined to be reasonably necessary for the Company to maintain its competitive position in the industry and to discourage the Company from relocating the business operations outside of New York.
2. The Chairman, Vice Chairman and/or the Chief Executive Officer of the Agency are hereby authorized, on behalf of the Agency, to cause the issuance of public hearing notices, hold a public hearing in compliance with the Act and negotiate (but not execute or deliver) the terms of (A) the Agent Agreement and Project Agreement, whereby the Agency appoints the Company as its agent to undertake the Project, (B) a Lease Agreement whereby the Company

leases the Project to the Agency, (C) a related Leaseback Agreement conveying the Project back to the Company, (D) a PILOT Agreement, whereby the Company agrees to make certain payments-in-lieu-of real property taxes and (E) related documents; provided (i) the rental payments under the Agent Agreement and Leaseback Agreement include payments of all costs incurred by the Agency arising out of or related to the Project and indemnification of the Agency by the Company for actions taken by the Company and/or claims arising out of or related to the Project.

3. The Agency is hereby authorized to schedule and conduct a public hearing pursuant to Article 18-A of the General Municipal Law and, if applicable, in accordance with Legislation S. 50001/A. 40001, amending subpart A of part BB of Chapter 56 of the Law of 2001, via ZOOM at a date and time to be determined by the Chairman. The Agency hereby further authorizes the publication of a Notice of Public Hearing for the Project in accordance with the Act and the Agency's policies and procedures.

4. This resolution shall take effect immediately.

Counties of Warren and Washington Industrial Development Agency

**Resolution No. 21-23
Adopted October 18, 2021**

**Introduced by Mr. Bruno
Who moved its adoption.**

Seconded by Ms. King

Flyin' Dutch Enterprises LLC

WHEREAS, on September 20, 2021, the Agency took action to accept and application and schedule a public hearing for 879 Route 22, LLC concerning a proposed project (the Project") consisting of: (i) the acquisition by the Agency of a leasehold interest in certain real property located at 879 Route 22 in the Town of White Creek, County of Washington, New York (the "Land"); (ii) the planning, design, construction, renovation, operation and maintenance by the Company of an approximately 39,000+/- square foot facility to be used by the Company for the manufacture and processing of Cannabis (collectively, the "Improvements"); (iii) the acquisition of and installation in and around the Land and Improvements by the Company of machinery, equipment, fixtures and other items of tangible personal property (the "Equipment" and, collectively with, the Land and the Improvements, the "Facility"); and (iv) entering into a straight lease transaction (within the meaning of subdivision (15) of Section 854 of the Act), pursuant to which the Agency will retain a leasehold interest in the Facility for a period of time and sublease such interest in the Facility back to the Company (the "Straight Lease Transaction"), all pursuant to Title 1 of Article 18-A of the General Municipal Law of the State of New York, Chapter 862 of the Laws of 1971 of the State of New York (collectively, the "Act"), as amended; and

WHEREAS, 879 Route 22 LLC has resubmitted an amended application under the entity known as Flyin' Dutch Enterprises LLC, as applicant, to undertake said Project.

NOW, THEREFORE, be it resolved, that the Agency hereby amends its September 20, 2021 resolution to accept the amended application of Flyin' Dutch Enterprises LLC for purposes of undertaking the Project as described therein.

Be it further resolved that all other authorizations and approvals relating to this Project and the financial assistance approved in the Agency's September 20, 2021 resolution shall remain in full force and effect.

| Member | Yes | No | Abstain | Absent |
|----------------|-----|----|---------|--------|
| Craig Leggett | x | | | |
| Michael Bittel | x | | | |
| Brian Campbell | x | | | |
| Mike Grasso | x | | | |
| Ginny Sullivan | x | | | |
| Mike Wild | x | | | |
| Dan Bruno | x | | | |
| Mary King | x | | | |
| Nick Calmano | | | | x |
| Dave O'Brien | x | | | |
| Total | 9 | 0 | 0 | 1 |

STATE OF NEW YORK)

) SS:

COUNTY OF WARREN)

This is to certify that I, Alie Weaver, Office Administrator for the Counties of Warren and Washington Industrial Development Agency, do hereby certify that the foregoing is a true and correct copy and the whole thereof of a Resolution duly adopted by the Counties of Warren and Washington Industrial Development Agency, Glens Falls, New York on the 18th day of October, 2021.

In witness whereof, I have hereto set my hand and affixed the official seal of the Counties of Warren and Washington Industrial Development Agency on the 18th day of October, 2021.

Alie Weaver

Alie Weaver
 Counties of Warren and Washington
 Industrial Development Agency

[SEAL]