

Resolution No. 21-02
Adopted January 19, 2021

Introduced by Mr. Michael Bittel
who moved its adoption.

Seconded by Mr. Dan Bruno

**RESOLUTION ACCEPTING AN APPLICATION FOR FINANCIAL ASSISTANCE
SUBMITTED BY CHPE LLC OR ITS DESIGNEE (THE “COMPANY”) RELATING TO
A CERTAIN PROJECT AND DESCRIBING THE FINANCIAL ASSISTANCE BEING
CONTEMPLATED BY THE AGENCY WITH RESPECT TO THE PROJECT**

WHEREAS, CHPE LLC, a limited liability company established pursuant to the laws of the State of New York, having an address of 600 Broadway, Albany, New York 12207 (the “Company”) has requested that the Agency provide financial assistance in the form of a payment in lieu of taxes, a mortgage recording tax exemption and sales tax abatements regarding a project (the “Project”) to consist of: (i) the acquisition by the Agency of a leasehold interest in certain real property located in the Towns of Putnam, Dresden, Whitehall, Fort Ann, Hartford, Kingsbury, Fort Edward and the Villages of Whitehall, Fort Ann and Fort Edward located in the County of Washington, New York (collectively, the “Land”); (ii) the acquisition of two five inch diameter high-voltage direct current (“HVDC”) transmission cables (the “Equipment”); (iii) the construction, installation and equipping on or under the Land of a fully buried, up to 1,250 megawatt (“MW”) HVDC electric transmission line and related infrastructure (the “Improvements” and together with the Land and Equipment, the “Project Facility”) all of the foregoing for use by the Company as a portion of an electric transmission line from the U.S. – Canada border to New York City (collectively, the “Improvements”); 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 Project 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, 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, (ii) an exemption from mortgage recording tax and (iii) 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 and (ii) 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.

2. The proposed financial assistance being contemplated by the Agency includes (i) an exemption from all state and local sales and use taxes with respect to the qualifying personal property included within the Project or used in the acquisition, construction or equipping of the Project, (ii) an exemption from mortgage recording tax for qualifying mortgages and (iii) a partial real property tax abatement through a PILOT Agreement, the terms of which to be negotiated, pursuant to which the Company would make payments in lieu of real property taxes to the Affected Tax Jurisdictions.

3. The Chairman, Vice Chairman and/or the Chief Executive Officer of the Agency are hereby authorized, on behalf of the Agency, to negotiate, subject to the approval of the Agency (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.

4. The granting of any financial assistance to the Company is subject to the Agency holding 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.

5. This resolution shall take effect immediately.

The foregoing resolution was thereupon declared duly adopted.

STATE OF NEW YORK)
) SS:
COUNTY OF WARREN)

This is to certify that I, Alie Weaver, Records Management Officer 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 19th day of January, 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 this 19 day of January, 2021.

Alie Weaver
Counties of Warren and Washington
Industrial Development Agency

[SEAL]

VOTING:	AYES	NAYS	ABSTAIN	ABSENT
Dave O'Brien	X			
Michael Bittel	X			
Craig Leggett	X			
Bruce Ferguson				X
Ginny Sullivan	X			
Nick Caimano	X			
Mike Wild	X			
Dan Bruno	X			
Mike Grasso	X			
Brian Campbell	X			
TOTALS	9			1

