

**COUNTIES OF WARREN AND WASHINGTON
INDUSTRIAL DEVELOPMENT AGENCY**

5 Warren Street, Suite 210

Glens Falls, New York 12801

Tel. (518) 792-1312

The July Board Meeting for Warren Washington Industrial Development Agency was held on Monday, July 18, 2022 at the Warren County Municipal Building and via Zoom at 4:00 pm. The following were:

PRESENT:	Dave O'Brien	Chair
	Nick Caimano	Member
	Mary King	Member
	Craig Leggett	Vice Chair
	Dan Bruno	Park Chair
	Chuck Barton	Member
	Juan Gonzales	Member
	Ginny Sullivan	Member
	Brian Campbell	Member

ABSENT:	Mike Wild	Member
----------------	-----------	--------

The following were also present:

Kara Lais, Esq.	FitzGerald Morris Baker Firth, PC
Michael Ostrander	Executive Director
James Griffith	Supervisor of White Creek

Minutes were taken by:	Alie Weaver	Office Administrator
-------------------------------	-------------	----------------------

June Minutes: Mr. Caimano made a motion to approve the June board meeting minutes and Mr. Barton seconded. All voted in favor by voice vote.

Accounts Payables and Financial Analysis: Mr. Campbell made a motion to approve the June payables and Mr. Bruno seconded. All voted in favor by roll call vote.

Executive Director Report: Mr. Ostrander stated the following:

- Grasshopper Gardens started spraying herbicides on Friday at the Canalside Energy Park
- Canalside Energy Park was submitted to the Empire State Development as a potential site
- Met with three potential clients
- Meeting with Adirondack Economic Development Corporation tomorrow

ONGOING BUSINESS

Delineation Update – Mr. O'Brien stated that the jurisdictional determination on Lots 4 and 5 have been submitted to ACOE and approval is pending.

Page 2 WWIDA July Board Meeting

Ms. Lais stated that Hilltop Construction closed on these lots last Thursday and have requested that the construction completion date be moved to two years after the Army Corps' jurisdictional determination issuance.

Mr. Bruno made a motion to approve the extended completion date and Mr. Barton seconded. All voted in favor by voice vote.

Canalside Energy Park – Mr. Bruno stated that LaBella indicated the IDA and Lake George Lake Champlain Regional Planning Board projects have some modeling overlap in their engineering reports, but the IDA would like LaBella to continue working on the Canalside Energy Park project immediately, regardless of the status of the LCLGRPB project.

Mr. Bruno also stated that drone videos of the park have been created for marketing purposes.

Project/TDI Update – Mr. O'Brien stated that, according to Mr. Bagnato from TDI, the increased debt limit of six billion dollars is to provide a safety net prior to the start of construction in preparation for any potential construction cost increases during production of the transmission line.

Morcon Induction Resolution – Mr. Ostrander stated that Morcon is seeking assistance to build a 40,000 square foot expansion for materials storage and distribution and a 15,000 square foot expansion for reshoring of production as well as installation of a sprinkler system with water storage. He noted that approximately eight new jobs would be created with these expansions.

Mr. O'Brien noted that this preliminary resolution includes a tax-free bond provision in case Morcon decides to move forward with that option.

Ms. Lais noted that Warren and Washington county approval would be required should Morcon move forward with a bond project.

Mr. Campbell made a motion to approve the preliminary inducement resolution and Mr. Caimano seconded. Mr. Bruno abstained, and all others voted in favor by voice vote.

Etain Sales Tax – Ms. Lais stated that a letter was received by Etain requesting their sales tax exemption expiration date be extended until October 1, 2023.

Mr. Leggett made a motion to approve this extension and Mr. Campbell seconded. All voted in favor by voice vote.

Behan Communications Analysis Report – Mr. Ostrander stated that Behan Communications created a memorandum regarding website content and design analysis, which was included in the meeting packets for review. He stated that this memorandum suggested taglines, testimonials, project summaries and updating the IDA website to be more interactive and mobile-friendly.

Borrego – Mr. O'Brien stated that a meeting is scheduled this Friday with representatives from Borrego Solar Systems Inc. regarding their letter of intent to option and lease proposal.

Adjournment – There being no further business to discuss, Mr. O'Brien adjourned the IDA July Board meeting at 4:38 pm.

WWIDA

Profit & Loss Prev Year Comparison January through June 2022

07/07/2022

Ordinary Income/Expense	Jan - Jun 22	Jan - Jun 21	\$ Change	% Change
Income				
Nonoperating revenue				
Donations - Land	10,500,000.00	469,882.00	10,030,118.00	2,134.6%
Investment Earnings				
2401 · Interest Income				
2401.1 · Interest Income CDs	-0.03	-407.21	407.18	99.99%
2401 · Interest Income - Other	72.27	66.53	5.74	8.63%
Total 2401 · Interest Income	72.24	-340.68	412.92	121.21%
Total Investment Earnings	72.24	-340.68	412.92	121.21%
2675 · Lot Sales				
Sale of Land	5,000.00	0.00	5,000.00	100.0%
Total 2675 · Lot Sales	5,000.00	0.00	5,000.00	100.0%
Total Nonoperating revenue	10,505,072.24	469,541.32	10,035,530.92	2,137.31%
Operating Revenue				
Charges for Services				
2116 · Application Fees	4,500.00	3,000.00	1,500.00	50.0%
2116.1 · Project Fees - Existing	7,128.52	5,250.00	1,878.52	35.78%
2116.2 · Project Fees - New	228,373.44	218,464.67	9,908.77	4.54%
Total Charges for Services	240,001.96	226,714.67	13,287.29	5.86%
Grant Revenue - National Grid	86,597.00	0.00	86,597.00	100.0%
Grant Revenue - USDA	0.00	12,627.25	-12,627.25	-100.0%
Other Operating Revenue				
2770 · Project - Legal Reimb 3.4	1,700.00	3,352.34	-1,652.34	-49.29%
2770.2 · Misc Income - operating	0.00	0.00	0.00	0.0%
Total Other Operating Revenue	1,700.00	3,352.34	-1,652.34	-49.29%
Total Operating Revenue	328,298.96	242,694.26	85,604.70	35.27%
Total Income	10,833,371.20	712,235.58	10,121,135.62	1,421.04%

	Jan - Jun 22	Jan - Jun 21	\$ Change	% Change
Gross Profit	10,833,371.20	712,235.58	10,121,135.62	1,421.04%
Expense				
Nonoperating Expenses				
107 · Airport Industrial Park				
Property/Sewer/Water Taxes AIP	10,937.34	6,673.18	4,264.16	63.9%
107 · Airport Industrial Park - Other	0.00	14.00	-14.00	-100.0%
Total 107 · Airport Industrial Park	10,937.34	6,687.18	4,250.16	63.56%
Total Nonoperating Expenses	10,937.34	6,687.18	4,250.16	63.56%
Operating Expenses				
Other operating expenses				
Miscellaneous	-0.10	0.00	-0.10	-100.0%
1910.4 · Insurance				
Public Officials Liability	1,719.29	1,719.29	0.00	0.0%
Workers' Comp Insurance	88.55	264.92	-176.37	-66.58%
Total 1910.4 · Insurance	1,807.84	1,984.21	-176.37	-8.89%
2675.1 · Sale of Lots				
Land conveyance	386.00	0.00	386.00	100.0%
Legal Exp. for Lot Sales 3.4	0.00	0.00	0.00	0.0%
Total 2675.1 · Sale of Lots	386.00	0.00	386.00	100.0%
6460.4 · Contractual Services				
Advertising	6,721.00	692.25	6,028.75	870.89%
Computer & Website Related	1,458.84	616.21	842.63	136.74%
Dues	1,085.00	0.00	1,085.00	100.0%
Rent	6,000.00	3,600.00	2,400.00	66.67%
Subscriptions	652.82	404.96	247.86	61.21%
Telephone and Internet	1,040.45	1,030.76	9.69	0.94%
6460.4 · Contractual Services - Other	3,566.63	3,180.60	386.03	12.14%
Total 6460.4 · Contractual Services	20,524.74	9,524.78	10,999.96	115.49%
Total Other operating expenses	22,718.48	11,508.99	11,209.49	97.4%
Professional service contracts				
Accounting	11,700.00	11,900.00	-200.00	-1.68%
Engineering-Phase II & Wetlds	0.00	3,600.00	-3,600.00	-100.0%

	Jan - Jun 22	Jan - Jun 21	\$ Change	% Change
Engineering - Phase I & General	12,095.50	-37,718.85	49,814.35	132.07%
Legal				
Fees for Project 3.4 billing	70,239.04	25,001.99	45,237.05	180.93%
Total Legal	70,239.04	25,001.99	45,237.05	180.93%
Total Professional service contracts	94,034.54	2,783.14	91,251.40	3,278.72%
Reimbursable Prof. Svc Contract	0.00	49,380.00	-49,380.00	-100.0%
6460.45 · Staff Payroll - WWIDA	49,076.12	12,115.00	36,961.12	305.09%
6460.5 · Supplies and Materials				
Misc Office Expenses				
Bank Fees	102.47	0.00	102.47	100.0%
Misc Office Expenses - Other	220.00	0.00	220.00	100.0%
Total Misc Office Expenses	322.47	0.00	322.47	100.0%
Office Supplies	1,243.47	630.08	613.39	97.35%
Postage	277.40	136.35	141.05	103.45%
Total 6460.5 · Supplies and Materials	1,843.34	766.43	1,076.91	140.51%
9000 · Employee Benefits				
Medicare - Company	771.29	96.08	675.21	702.76%
Social Security - Company	3,173.89	754.31	2,419.58	320.77%
Unemployment Insurance	0.00	211.42	-211.42	-100.0%
VEHICLE ALLOWANCE	1,600.00	0.00	1,600.00	100.0%
Total 9000 · Employee Benefits	5,545.18	1,061.81	4,483.37	422.24%
Operating Expenses - Other	0.00	0.00	0.00	0.0%
Total Operating Expenses	173,217.66	77,615.37	95,602.29	123.17%
10000 · Dewatering Facility				
10005 · Sales/Misc Income	-2,094.08	0.00	-2,094.08	-100.0%
10100 · Dewatering Expenses				
10110 · Dues & Subscriptions	25.00	0.00	25.00	100.0%
10115 · Dewatering Insurance	10,838.46	1,888.35	8,950.11	473.97%
10125 · Land & Building Maintenance	22,712.18	100,774.00	-78,061.82	-77.46%
10135 · Dewatering Gas & Electric	2,389.28	181.68	2,207.60	1,215.1%
Total 10100 · Dewatering Expenses	35,964.92	102,844.03	-66,879.11	-65.03%
10000 · Dewatering Facility - Other	41.55	0.00	41.55	100.0%

	Jan - Jun 22	Jan - Jun 21	\$ Change	% Change
Total 10000 · Dewatering Facility	33,912.39	102,844.03	-68,931.64	-67.03%
6460.47 · Staff Telephone Allowance	240.00	0.00	240.00	100.0%
66900 · Reconciliation Discrepancies	-0.03	0.02	-0.05	-250.0%
Total Expense	218,307.36	187,146.60	31,160.76	16.65%
Net Ordinary Income	10,615,063.84	525,088.98	10,089,974.86	1,921.57%
Net Income	<u>10,615,063.84</u>	<u>525,088.98</u>	<u>10,089,974.86</u>	<u>1,921.57%</u>

WWIDA

Balance Sheet

As of June 30, 2022

	Jun 30, 22	Jun 30, 21
ASSETS		
Current Assets		
Checking/Savings		
200 · Cash	603,155.30	277,679.43
220 · Checking GFNB 0736	0.10	0.00
250 · Certificates of Deposit	356,921.00	479,713.00
Total Checking/Savings	960,076.40	757,392.43
Accounts Receivable		
380A · Accounts Receivable	20,425.00	2,740.44
380B · Accounts Receivable - PILOTS	100.31	0.01
Total Accounts Receivable	20,525.31	2,740.45
Other Current Assets		
210 · Petty Cash	55.10	143.10
381 · Insurance Receivable	3,329.74	3,124.47
480 · Prepaid Insurance	4,265.03	2,335.03
Total Other Current Assets	7,649.87	5,602.60
Total Current Assets	988,251.58	765,735.48
Fixed Assets		
101 · Land	1,126,948.09	1,023,649.09
102 · Land-Canalside Energy Park	10,500,000.00	0.00
104 · Machinery and Equipment	9,197.74	10,806.74
114 · Accumulated Depreciation	-9,197.99	-9,197.99
Total Fixed Assets	11,626,947.84	1,025,257.84
TOTAL ASSETS	12,615,199.42	1,790,993.32
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
600 · Accounts Payable	-11,305.64	21,754.42
Total Accounts Payable	-11,305.64	21,754.42
Other Current Liabilities		
602 · Payroll Liabilities	2,517.52	739.35
615 · Customers' Deposit	0.00	17,404.89
631 · Due to other governments	14,844.84	-5,143.96
Total Other Current Liabilities	17,362.36	13,000.28
Total Current Liabilities	6,056.72	34,754.70
Total Liabilities	6,056.72	34,754.70
Equity		
924 · Net Assets - Unrestricted	1,994,078.86	1,231,149.64
Net Income	10,615,063.84	525,088.98
Total Equity	12,609,142.70	1,756,238.62
TOTAL LIABILITIES & EQUITY	12,615,199.42	1,790,993.32

**PRELIMINARY INDUCEMENT RESOLUTION
MORCON, INC. PROJECT**

A regular meeting of Counties of Warren and Washington Industrial Development Agency (the "Agency") was convened in public session in the Supervisors Chambers at the Warren County Municipal Center located at 1340 State Route 9 in the Town of Lake George, Warren County, New York on July 18, 2022 at 4:00 p.m., local time.

The meeting was called to order by the (Vice) Chair of the Agency and, upon roll being called, the following members of the Agency were:

PRESENT:

David O'Brien	Chair
Craig Leggett	Vice Chair
Chuck Barton	Member
Dan Bruno	Member
Nicholas Caimano	Member
Brian Campbell	Member
Mary King	Member
Ginny Sullivan	Member
Mike Wild	Member
Juan Gonzales	Member

ABSENT:

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Michael Ostrander	Executive Director
Tim Robinson	Chief Financial Officer
Kara I. Lais, Esq.	Agency Counsel
Alie Weaver	Office Administrator

The following resolution was offered by _____, seconded by _____, to wit:

Resolution No. 0722-_____

RESOLUTION TAKING OFFICIAL ACTION TOWARD THE ISSUANCE OF REVENUE BONDS IN AN AMOUNT SUFFICIENT TO FINANCE THE ACQUISITION, RENOVATION, RECONSTRUCTION, INSTALLATION AND LEASING OF THE MORCON, INC. PROJECT AND AUTHORIZING THE EXECUTION AND DELIVERY OF A PRELIMINARY AGREEMENT WITH RESPECT TO SUCH TRANSACTION.

WHEREAS, Counties of Warren and Washington 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 862 of the 1971 Laws of New York, as

amended, constituting Section 890-c 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 issue its industrial development revenue bonds to finance the cost of the acquisition, construction, reconstruction and installation of one or more "projects" (as defined in the Act), to acquire, construct, reconstruct and install said projects 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, Morcon, Inc. (the "Company"), has presented an application (the "Application") to the Agency, requesting that the Agency consider undertaking a project (the "Project") consisting of the following: (A) (1) the acquisition of an interest or interests in a parcel of land located at 62 Owl Kill Road, in the Town of Eagle Bridge, Washington County, New York (the "Land"), together with the existing building located on the Land and known as the Morcon, Inc. Corporate Headquarters and Manufacturing Site (the "Facility"); (2) the reconstruction and renovation of the Facility in three phases including (a) the construction of an approximately 40,000 square foot expansion for material storage and distribution at the Facility (the "First Expansion"), (b) the construction of an approximately 15,000 square foot expansion for reshoring of paper production at the Facility (the "Second Expansion," and collectively with the First Expansion, the "Expansions"), and (c) the installation of an updated sprinkler system and water storage system to service the completed Facility and Expansions (the "Water System," and collectively with the Expansions, the "Additions"), and (3) the acquisition and installation thereon and therein of various machinery and equipment (the "Equipment") (the Land, the Facility, the Equipment and the Additions hereinafter collectively referred to as the "Project Facility"), all of the foregoing to constitute, when complete, a manufacturing facility containing approximately 70,000 square feet of space to be owned and operated by the Company for the purpose of converting towel, tissue, and napkin products and other directly or indirectly related activities; (B) the financing of all or a portion of the costs of the foregoing by the issuance of taxable and/or tax-exempt revenue bonds of the Agency in one or more issues or series in an aggregate principal amount sufficient to pay all or a portion of the cost of undertaking the Project, together with necessary incidental costs in connection therewith, presently estimated to equal approximately \$13,825,000, but in any event not to exceed \$18,000,000 (the "Obligations"); (C) the payment of a portion of the costs incidental to the issuance of the Obligations, including issuance costs of the Obligations and any reserve funds as may be necessary to secure the Obligations; (D) the granting of certain other "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including exemption from certain sales taxes, deed transfer taxes, mortgage recording taxes and real property taxes (collectively with the Obligations, the "Financial Assistance"); and (E) 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, 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 (the "DEC Regulations", and collectively with the "SEQR Act", "SEQRA"), the Agency (or any other "involved

agency”) (as such quoted phrase is defined in SEQRA), the Agency has not yet made a preliminary determination as to the potential environmental significance of the Project and therefore has not yet determined whether an environmental impact statement is required to be prepared with respect to the Project; and

WHEREAS, pursuant to the Act, any preliminary approval of the Project contained herein is contingent upon a determination by the members of the Agency to proceed with the Project following satisfaction of (A) all requirements of SEQRA that relate to the Project and (B) the public hearing and notice requirements and other procedural requirements contained in Section 859-a of the Act; 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 Washington 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 Washington County, New York by undertaking the Project in Washington County, New York; and

WHEREAS, interest on the Obligations will not be excludable from gross income for federal income tax purposes unless (A) pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”) and the regulations of the United States Treasury Department thereunder (the “Treasury Regulations”), the issuance of the Obligations is approved by the “applicable elected representative” of Washington County, New York after the Agency has held a public hearing on the nature and location of the Project Facility and the issuance of the Obligations; (B) pursuant to Section 144(a) of the Code, at least ninety-five percent (95%) of the net proceeds of the Obligations are used to provide a “manufacturing facility”, as defined in Section 144(a)(12)(C) of the Code; and (C) pursuant to Section 146 of the Code, there is allocated to the Obligations a portion of the private activity bond volume cap of the Agency and/or the State of New York sufficient to equal the face amount of the Obligations;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF COUNTIES OF WARREN AND WASHINGTON INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. The Agency has reviewed the Application and, based upon the representations made by the Company to the Agency in the Application and at this meeting and, based thereon, the Agency hereby makes the following findings and determinations with respect to the Project:

(A) Based on a preliminary review of the Application and subject to further review by the Agency staff and Special Agency Counsel, the Project constitutes a “project” within the meaning of the Act; 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

(C) The Project does not constitute a project where facilities or property are primarily used in making retail sales of goods or services to customers who personally visit such facilities or property; and

(D) The granting of the Financial Assistance by the Agency with respect to the Project, through the issuance of the Obligations and the granting of the various tax exemptions described in Section 2(E) of this Resolution, will promote the job opportunities, health, general prosperity and economic welfare of the inhabitants of Washington County, New York and the State of New York and improve their standard of living, and thereby serve the public purposes of the Act; and

(E) Undertaking the Project will serve the public purposes of the Act by preserving permanent, private sector jobs or increasing the overall number of permanent, private sector jobs in New York State; and

(F) Upon compliance with the provisions of the Act and SEQRA, the Agency would then be authorized under the Act to undertake the Project in order to promote the job opportunities, health, general prosperity and economic welfare of the inhabitants of Washington County, New York and the State of New York and improve their standard of living.

Section 2. If, following full compliance with SEQRA and the requirements of the Act, including, but not limited to the holding of a public hearing pursuant to Section 859-a of the Act, the Agency adopts a future resolution (the "Future Resolution") determining to proceed with the Project and to grant the Financial Assistance with respect thereto and the Company complies with all conditions set forth in the Preliminary Agreement and the Future Resolution, then the Agency will (A) acquire an interest in the Project Facility from the Company pursuant to a deed, lease agreement or other documentation to be negotiated between the Agency and the Company (the "Acquisition Agreement"); (B) renovate and reconstruct the Facility and acquire and install the Equipment in the Facility or elsewhere on the Land; (C) lease (with the obligation to purchase) or sell the Project Facility to the Company pursuant to a lease agreement or an installment sale agreement (hereinafter, the "Project Agreement") between the Agency and the Company whereby the Company will be obligated, among other things, (1) to make payments to the Agency in amounts and at times so that such payments will be adequate to enable the Agency to timely pay all amounts due on the Acquisition Agreement and (2) to pay all costs incurred by the Agency with respect to the Project and/or the Project Facility, including all costs of operation and maintenance, all taxes and other governmental charges, any required payments in lieu of taxes, and the reasonable fees and expenses incurred by the Agency with respect to or in connection with the Project and/or the Project Facility; (D) secure the Obligations in such manner as the Agency, the Company and the purchasers of the Obligations shall mutually deem appropriate; and (E) provide the Financial Assistance with respect to the Project, in accordance with the Agency's uniform tax exemption policy, including (1) exemption from mortgage recording taxes with respect to any documents recorded by the Agency with respect to the Project in the office of the County Clerk of Washington County, New York or elsewhere, (2) exemption from sales taxes relating to the acquisition, reconstruction, renovation and installation of the Project Facility, (3) exemption from deed transfer taxes on real estate transfers to and from the Agency with respect to the Project, and (4) exemption from real estate taxes (but not including special assessments and special ad valorem levies) relating to the Project Facility, subject to the obligation of the Company to make payments in lieu of taxes with respect to the Project Facility, all as contemplated by the Preliminary Agreement and the Future Resolution.

Section 3. The Company is hereby authorized to conduct such environmental, engineering, economic, feasibility and other studies and preliminary planning and budgetary processes necessary or convenient to enable the Agency to make its determination whether to proceed with the Project and to grant such Financial Assistance; provided, however, that such authorization shall not entitle or permit the Company to commence the acquisition, construction or installation of the Project Facility unless and until the Agency shall determine that all requirements of SEQRA and Section 859-a of the Act that relate to the Project have been fulfilled. The officers, agents and employees of the Agency are hereby directed to proceed to comply with the provisions of SEQRA and to do such things or perform such acts as may allow the Agency to proceed to its final consideration of the Project. This Resolution constitutes an authorization to conduct concurrent environmental, engineering, economic, feasibility and other studies and preliminary planning with respect to the Project within the meaning of Section 617.3(c)(2) of the Regulations and a determination of compliance with technical requirements within the meaning of Section 617.3(c)(2) of the Regulations and does not constitute, and shall not be deemed to constitute, either an approval by the Agency of the Project for the purposes of the Act or SEQRA or a commitment by the Agency to approve the Project or to grant such Financial Assistance.

Section 4. If the Agency adopts the Future Resolution, the undertaking and completing of the Project by the Agency, and the granting of the Financial Assistance with respect to the Project as contemplated by Section 2 of this Resolution, shall be subject to: (A) the determination by the members of the Agency to proceed with the Project following a determination by the members of the Agency that all requirements of (1) SEQRA that relate to the Project have been fulfilled and (2) the public hearing requirements under Section 859-a of the Act have been satisfied; (B) execution and delivery by the Company of the Preliminary Agreement, which sets forth certain conditions for the undertaking and completing of the Project by the Agency, and satisfaction by the Company of all the terms and conditions of the Preliminary Agreement applicable to the Company; (C) agreement between the Agency and the Company as to the conveyance of the Land to the Agency; (D) agreement between the Company and the Agency as to payments in lieu of taxes with respect to the Project Facility, together with the administrative fee of the Agency with respect to the Project; (E) agreement by the Agency, the Company and the purchasers of the Obligations on mutually acceptable terms for as to the Obligations and for the sale and delivery thereof and mutually acceptable terms and conditions for the security for the payment thereof; (F) if interest on the Obligations is to be treated as excludable from gross income for federal income tax purposes, (1) at least ninety-five percent (95%) of the net proceeds of the Obligations must be used to provide a "manufacturing facility", as defined in Section 144(a)(12)(C) of the Code, (2) the Board of Supervisors of Washington County, New York must have approved the issuance of the Obligations after a public hearing on the issuance of the Obligations and the nature and location of the Project Facility has been held by the Agency, as required by Section 147(f) of the Code, and (3) unless the Agency has sufficient unused allocation of private activity bond volume limit from the State of New York for the particular calendar year in which the Obligations are proposed to be issued and has determined to allocate to the Obligations a portion of such unused allocation of private activity bond volume limit, the Agency must have received notice from the New York State Commissioner of Economic Development that the Agency has received a supplemental allocation for the Obligations from a statewide bond reserve established pursuant to New York State law, all as provided in Section 146 of the Code, it being understood that by enacting this resolution the Agency is not committing itself to make such an allocation or to issue the Obligations if such an allocation is not made or received; (G) if any portion of the Financial Assistance to be granted by the Agency with respect to the Project is not consistent with the Agency's uniform tax exemption policy, the Agency must follow the procedures for deviation from such policy set forth in Section 874(b) of the Act prior to granting such portion of the Financial Assistance; and (H) the following additional condition(s): _____.

Section 5. The form, terms and substance of a preliminary agreement (the "Preliminary Agreement") (in the form typically used by the Agency and recommended by Special Agency Counsel in similar financings) are in all respects approved, and the Chair (or Vice Chair) of the Agency is hereby authorized, empowered and directed to execute and deliver said Preliminary Agreement in the name and on behalf of the Agency, said Preliminary Agreement to be substantially in the form presented to members of the Agency prior to execution and delivery, with such changes therein as shall be approved by the officer executing same on behalf of the Agency, the execution thereof by such officer to constitute conclusive evidence of such officer's approval of any and all changes or revisions therein from the form now before this meeting.

Section 6. From and after the execution and delivery of the Preliminary Agreement, the officers, agents and employees of the Agency are hereby authorized, empowered and directed to proceed with the undertakings provided for therein on the part of the Agency and are further authorized to do all such acts and things and to execute all such documents as may be necessary or convenient to carry out and comply with the terms and provisions of the Preliminary Agreement as executed.

Section 7. It is intended that this Resolution shall constitute an affirmative "official intent" toward the issuance of the Obligations within the meaning of Section 1.103-8(a)(5) and Section 1.150-2(e)(1) of the United States Treasury Regulations.

Section 8. The law firm of Hodgson Russ LLP is hereby appointed Bond Counsel to the Agency with respect to all matters in connection with the Project. Bond Counsel for the Agency is hereby authorized, at the expense of the Company, to work with the Company, counsel to the Company, counsel to the Agency and others to prepare, for submission to the Agency, all documents necessary to effect the transactions contemplated by this Resolution.

Section 9. The Agency hereby authorizes the Chair of the Agency, prior to the issuance of any portion of the Obligations or the granting of any other Financial Assistance with respect to the Project, after consultation with the members of the Agency, (A) (1) to establish the time, date and place for a public hearing of the Agency to hear all persons interested in the Project and the proposed financial assistance being contemplated by the Agency with respect to the Project; (2) to cause notice of such public hearing to be given to the public by publishing a notice of such hearing in a newspaper of general circulation available to residents of the Town of Eagle Bridge, Washington County, New York, such notice to comply with the requirements of Section 859-a of the Act and Section 147(f) of the Code and to be published no fewer than ten (10) days prior to the date established for such public hearing; (3) to cause notice of said public hearing to be given to the chief executive officer of the county and each county, town, village and school district in which the Project is to be located no fewer than ten (10) days prior to the date established for said public hearing; (4) to conduct such public hearing; and (5) to cause a report of said public hearing fairly summarizing the views presented at said public hearing to be promptly prepared and cause copies of said report to be made available to the members of the Agency and (B) to satisfy the public approval requirements contained in Section 147(f) of the Code.

Section 10. The Chair, Vice Chair and/or Executive Director of the Agency is hereby authorized and directed to distribute copies of this Resolution to the Company and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 11. 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:

David O'Brien	VOTING	_____
Craig Leggett	VOTING	_____
Chuck Barton	VOTING	_____
Dan Bruno	VOTING	_____
Nicholas Caimano	VOTING	_____
Brian Campbell	VOTING	_____
Mary King	VOTING	_____
Ginny Sullivan	VOTING	_____
Mike Wild	VOTING	_____
Juan Gonzales	VOTING	_____

The foregoing Resolution was thereupon declared duly adopted.

July 12, 2022

Kara I. Lais, Esq.
FitzGerald Morris Baker Firth, P.C.
68 Warren Street · P.O. Box 2017
Glens Falls, New York 12801
kil@fmbf-law.com

Re: Sales tax exemption - KDBF Ventures LLC/Counties of Warren and Washington
Industrial Development Agency

Dear Kara:

I represent KDBF Ventures, LLC ("KDBF") and write with regard to its above-referenced sale tax exemption. It is my understanding that the sales tax exemption expires on July 31, 2022. Our construction project, while progressing well, has been seriously impacted by COVID and supply-chain delays, so I am writing to request extension of this exemption.

KDBF's construction manager, Northeast Construction Solutions, Inc. advises me that the estimated construction date of completion is April 1, 2023. I request that our exemption be extended six months past that date, to October 1, 2023, to account for further delays and equipping of the facility.

Please let me know if you have questions or should require any additional information.

Very truly yours,



Richard Levine
Chief Financial Officer



STRATEGIES FOR SUCCESS

518.792.3856 | 1.877.792.3856
behancommunications.com

MEMORANDUM

June 10, 2022

TO: David O'Brien, Chairman
Michael Ostrander, Executive Director
Warren and Washington Counties IDA

FROM: John Brodt

RE: *Website Content and Design Analysis*

Behan Communications is pleased to provide this review of the Warren and Washington Counties IDA website.

Given the IDA's broader interest in elevating public awareness and understanding of the organization's important role in growing the tax base and employment opportunities in the counties, we recommend development of an entirely new, more modern, less bureaucratic-feeling site that celebrates the IDA's contributions to the region's economic health while also providing the programmatic information needed by businesses considering starting, expanding or relocating within the counties.

Our recommendations for the new site are as follows:

Home page:

- The design of the home page should shout "Growth and Opportunity," literally, with the new branding elements recommended in Behan Communications' April 2022 Strategic Communications Plan (or some modification thereof) and, figuratively, with large photographs or video imagery of businesses whose success was made possible in part by the IDA.
- A prominent headline should sum up the IDA's mission to both the public and businesses clearly and succinctly, such as, "Helping Bring New Jobs, New Revenue, New Opportunities to Warren and Washington Counties."

IDA Website Review, P. 2

- The home page should feature three prominent graphics that promote and link to the three key pages of the site: How We Help, Our Industrial Parks, Success Stories.
- The site's overall navigational structure should be consolidated and simplified as follows with the following links:
 - How We Help (one page describing each type of assistance offered by the IDA)
 - Our Industrial Park (one page describing the park's attributes)
 - Success Stories (written and video profiles of businesses helped by the IDA)
 - About Us (Main link with dropdown menu linking to sub-pages)
 - Overview, including CDC information
 - Board & Staff
 - Meeting Information (Schedule, Minutes, Agendas)
 - Documents
 - Our Partners
 - Contact Us

How We Help Page:

This page should provide brief explanations of each form of assistance offered by the IDA with an explanation of the benefits to the businesses AND the regional economy. For example, the PILOT explainer would point out that supported projects generate new revenue for the involved municipalities and school district while also providing a benefit to the business.

Our Industrial Parks Page:

This page should be a much more robust sales tool for the Airport Industrial Park and Canalside Energy Park, with the addition of photographs, a list of property attributes, and testimonials from existing Park businesses. The parks are a tremendous asset to the region and the IDA and their online presence should reflect that value and their attractiveness to prospective occupants, and be of equal or greater caliber than other parks in New York State, such as <https://www.tdcnny.com/>, <https://steelworksindustrialpark.com/> and <https://www.carvercompanies.com/coeymans-industrial-park/>.

Success Stories Page:

This page would replace the current "Projects" page and feature brief written and/or video profiles of businesses the IDA has helped in recent years, with an emphasis on the number of jobs created, tax revenue generated, expenditures with area businesses and other benefits. The profiles will include testimonials from the business owner/leader regarding the role the IDA has played in their success.

IDA Website Review, P. 3

About Us Pages:

For ease of navigation, particularly on a mobile device, we recommend consolidating a number of the pages currently on the site into a dropdown menu under the "About Us" heading. Pages under this heading would include:

- **Overview:** This page would provide background information on the formation and operating parameters of the IDA, as well as the CDC.
- **Board & Staff:** This page would include brief biographies and photos of board members and staff, and testimonial quotes about why they enjoy serving the IDA.
- **Meeting Info:** This page would include the IDA meeting schedule and links to agendas and meeting minutes.
- **Documents:** This page would include links to IDA applications and other publicly relevant information. We recommend a review of all documents previously posted and an evaluation to determine public relevance. In some instances, some introductory context would be advised

Our Partners Page:

This page would include links to other regional economic development organizations with which the IDA works.

General Site Comments:

- All written and video content for the new site should reflect and advance the key messaging provided in the April 2022 Strategic Communications Plan, focused on broadening informed public awareness and support for the IDA's services, strengthening understanding and support among elected officials for the essential work of the IDA; and increasing business community understanding of the IDA, with a special emphasis on the benefits of working with the organization.
- Special consideration should be given in the design of the site to ensure that it is optimized for viewing and reading on mobile devices.
- Development of the new site should also include a robust search engine optimization effort designed to identify key search terms utilized by businesses and site selection professionals and ensure that the IDA site is optimized for those terms.

Behan Communications appreciates the opportunity to provide these recommendations for enhancing the Warren and Washington Counties IDA's website as an informational and educational tool for community members and businesses interested in starting, expanding or relocating in the counties.

We look forward to talking with you further regarding this exciting project.



Project Summary:

SUN VALLEY APARTMENTS

Date goes here.

Sun Valley Apartments, LLC is proposing to construct a 39-unit, five-building apartment complex off Sun Valley Drive in the Town of Lake George. The complex will serve year-round residents who work in the Lake George area or wish to live in close proximity to the lake and other nearby recreational amenities. Apartments will not be leased or subleased to seasonal or other short-term renters.

Photo goes here.

Regional Benefits

- Sun Valley Apartments is projected to provide an average of **\$XXXXXX in new annual tax revenue** to be shared by local municipalities and the school district.
- During construction, the owners expect to spend **nearly \$4 million with local businesses.**
- The apartments will **help address the regional housing shortage** by providing a variety of different size units for individuals, families and empty nesters, including the large numbers of metropolitan-area residents who continue to look to our region for new career opportunities and a higher quality of life.
- Providing new housing opportunities in Lake George will help build a critical mass of year-round residents to support local businesses and assist in **strengthening our four-season economy.**

IDA Assistance

To assist the owners of Sun Valley Apartments in making this investment, and in furtherance of the IDA's commitment to fostering growth and opportunity for businesses and residents of our region, we propose to offer the following assistance:

- A 10-year Payment in Lieu of Taxes (PILOT) agreement under which the owners will make annual payments equivalent to taxes on 50% of the total assessed value of their property in year one, with a 5% escalator per year until reaching 100% in year 11. This is projected to save the owners a total of \$166,367 over the course of the PILOT while still generating a total of \$XXXXXX in new revenue for the municipalities and school.
- An exemption on the payment of sales tax on construction-related purchases. This is projected to save the owners a total of \$153,720 in taxes on the \$4.39 million they are expecting to spend on construction.
- An exemption on payment of the mortgage tax on the projected project financing of \$4.7 million. This is projected to save the owners \$59,531.

The IDA supports this project for the growth and opportunity it will bring to our regional economy.

Borrego Solar Systems, Inc.
22 Century Hill Drive, Suite 303
Latham, NY 12110
www.borregosolar.com



July 5, 2022

Washington County IDA
5 Warren St
Glens Falls NY 12801

Re: Letter of Intent to Option and Lease

Dear Daniel

Thank you for the opportunity to present to you a proposal to option and lease your property for a solar photovoltaic generating and storage facility. This letter serves as the proposed terms under which Lessee, a subsidiary of Borrego Solar, will option and lease your property. We will present you with an option and lease agreement within fifteen (15) business days from full execution of this Letter of Intent.

Property	The Property is located at 626 County Line Road, Kingsbury, NY 12804, (Tax ID 137.-2-1).
Leased Premises:	The Premises to be leased is approximately 18 acres located at the Property.
Preliminary Site Location:	A preliminary site location is attached here as Exhibit A. We are committed to working with you to determine the final site location during the Option Term.
Option Term:	540 days with the right to extend by Lessee for 2 additional periods of 365 days each.
Option Payment:	\$5,000.00 for the first 540 days. \$5,000.00 for each additional 365 days.
Lease Term:	25 years with the right to extend by Lessee for 4 additional 5-year periods.
Rent:	\$1,500.00 per acre per year, with 1% annual increases.
Rent Commencement:	Rent shall commence when the system reaches commercial operation.

Permitted Use:	Lessee will develop, construct and operate a solar photovoltaic generating and energy storage facility. Due diligence will be conducted during the Option Term.
Ownership of Energy:	All electricity, utility credits, and energy attributes generated by the facility shall be the property of Lessee.
Property Taxes:	Lessee will pay all increases to property taxes directly resulting from installation of the facility, plus any roll back taxes that may be incurred due to removal of a property tax exemption. Lessor will pay all base property taxes on the land and any regular increases thereon and all increased taxes resulting from removal of a tax exemption.
Costs:	Lessee will pay for all costs and perform all work related to the facility.
Removal of the Facility:	Lessee will remove the facility within 180 days of the end of the lease term at Lessee's sole cost.
Assignment:	Lessee will have the right to freely assign the lease to affiliates and for financing purposes.
Exclusivity:	For 100 days from the date this LOI is fully executed (the " <i>Exclusivity Period</i> "), neither you, nor any of your employees, representatives or agents, will solicit, engage in discussions or negotiations, enter into any arrangement, agreement or commitment regarding the installation or operation of a solar or energy storage facility on your Property with any party other than Borrego, its subsidiaries or agents.
Non-Interference:	During the Exclusivity Period, you agree that you will not interfere with Borrego's or its subsidiaries' or agents' efforts to secure other agreements, permits or authorizations to develop a solar photovoltaic generating and energy storage facility on your Property or any other property.
Confidentiality:	You shall keep the terms of this LOI and the transaction contemplated herein secret and confidential; provided, however, you may disclose this LOI and the transaction contemplated herein to your affiliates, attorneys, consultants or other agents or professional advisors, or as required by law.
Tests:	Upon full execution of this LOI, you hereby grant us a license to enter the property to conduct tests, inspections, surveys and investigations (" <i>Tests</i> ") that we deem necessary to evaluate the

suitability of the Property for the Permitted Use. All such Tests shall be conducted at Lessee's sole cost and expense.

Non-Binding Terms:

Other than the Exclusivity, Non-Interference and Confidentiality provisions above, which are binding upon the parties, this LOI is not intended to be a binding agreement, but rather, points for discussion and negotiation between the parties. A fully binding agreement shall become effective only when and if an option and lease agreement is executed by both parties and prior to such time we may terminate this LOI for any or no reason.

General Provisions:

This LOI may be executed in counterparts, each of which shall be considered an original, and taken together shall constitute the same instrument. A copy of this LOI sent via facsimile or electronic mail in a portable document format ("*PDF*") will be considered an original

If you are in agreement with the terms above, please indicate by signing below and on the authorization letter attached as Exhibit B indicating you are working exclusively with us and return a copy of the signed Letter of Intent and authorization letter.

Very Truly Yours,

Terrence Nolan
Project Developer
22 Century Hill, Suite 302
Latham, NY 12110
Cell: 6908-892-0841

Accepted and Agreed:

Washington County IDA

By: _____
Name: _____
Date: _____

EXHIBIT A

Preliminary Site Location

**Please note that the below design is for discussion purposes only and does not represent the definitive final location and size of the project.*



APPENDIX H –

New York State Standardized Acknowledgment of Property Owner Consent Form

Interconnecting Utility: National Grid

Utility Project Number (if available): _____

(Note: This Acknowledgment is to be signed by the owner of the property where the proposed distributed generation facility and interconnection will be placed, when the owner or operator of the proposed distributed generation facility is not also the owner of the property, and the property owner's electric facilities will not be involved in the interconnection of the distributed generation facility.)

This Acknowledgment is executed by _____,
(the "Property Owner"; as used herein the term shall include the Property Owner's successors in interest to the Property), as owner of the real property situated in the City/Town of Kingsbury, Washington County, New York, known as 626 County Line Road, Kingsbury, NY 12804, (Tax ID 137.-2-1) (the "Property"), at the request of 212 Solar Development, LLC (the "Developer"; as used herein the term shall include the Developer's successors and assigns).

This Acknowledgment does not grant or convey any interest in the Property to the Developer.

1. The Property Owner certifies as of the date indicated below that the Property Owner is working exclusively with the Developer on a proposal to install a distributed generation facility (the "Facility") on the Property.

OR

2. The Property Owner certifies as of the date indicated below that the Developer has executed with the Property Owner one of the following: a signed option agreement to lease or purchase the Property, an executed Property lease, or an executed purchase agreement for the Property granting the Developer a right to use the Property for purposes of installing the Facility.

Property Owner:

Developer:

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: _____
Title: _____
Date: _____