



**Genesee County Economic Development Center
Meeting Agenda**

Monday, October 25, 2021

Location: Innovation Zone Conference Room, Suite 107 and Electronically via Zoom

PAGE #

1.0	Call to Order	10:30am
	1.1 Enter Executive Session	10:30am
	Motion to enter executive session under the Public Officers Law, Article 7, Open Meetings Law Section 105 for the following reasons:	
	1. The medical, financial, credit or employment history of a particular person or corporation, or matters leading to the appointment, employment, promotion, demotion, discipline, suspension, dismissal or removal of a particular person or corporation.	
	2. Discussions regarding proposed, pending or current litigation.	
	1.2 Enter Public Session	11:10am
2.0	Chairperson's Report & Activities	11:10am
	2.1 Upcoming Meetings:	
	Next Scheduled Board Meeting: Thursday, December 2nd at 4:00 p.m.	
	Audit & Finance Committee Meeting: Tuesday, November 30 th at 8:30 a.m.	
	STAMP Committee Meeting: Tuesday, November 30 th at 10:30 a.m.	
	Employment & Comp Committee Meeting: Thursday, December 2 nd at 3:00 p.m.	
	Employment & Comp Committee Meeting: Thursday, December 16 th at 3:00 p.m.	
	Board Meeting: Thursday, December 16 th at 4:00 p.m.	
	2.2 Agenda Additions / Deletions / Other Business **Vote	
	2.3 Minutes: October 7, 2021 **Vote	
	2-13	
3.0	Report of Management –	11:15am
	3.1 Ellicott Station LLC & Ellicott Station Commercial LLC Updated Resolution **Vote – M. Masse	
	14-21	
4.0	Audit & Finance Committee – M. Gray	11:20am
	4.1 September 2021 Financial Statements **Vote	
	4.2 GCEDC 1+3 Budget **Vote	
	4.3 Auditor Selection **Vote	
	4.4 Agricultural Land Lease **Vote	
	22-25	
	26	
	27-33	
	34-43	
5.0	Governance & Nominating Committee – C. Yunker	11:35am
	5.1 Nothing at this time.	
6.0	STAMP Committee – P. Zelif	11:35am
	6.1 Nothing at this time.	
7.0	Employment & Compensation Committee – T. Bender	11:35am
	7.1 Nothing at this time.	
8.0	Housing Committee – P. Battaglia	11:35am
	8.1 Nothing at this time.	
9.0	Other Business	11:35am
	9.1 Nothing at this time.	
10.0	Adjournment	11:35am



**GCEDC Board Meeting
Thursday, October 7, 2021
Location: Innovation Zone
4:00 PM**

GCEDC MINUTES

Attendance

Board Members: C. Yunker, M. Clattenburg, P. Zeliff, M. Gray, P. Battaglia
Staff: L. Farrell, M. Masse, J. Krencik, S. Hyde, C. Suozzi, P. Kennett, L. Casey
Guests: S. Noble-Moag (GGLDC Board Member), G. Torrey (GGLDC Board Member), D. Cunningham (GGLDC Board Member), T. Felton (GGLDC Board Member), J. Tretter (GGLDC Board Member), M. Landers (County Manager), R. Gaenzle (Harris Beach)
Via Video Conference - A. Walters (Phillips Lytle)
Absent: A. Vanderhoof, T. Bender

1.0 Call to Order

P. Zeliff called the meeting to order at 4:00 p.m. in the Innovation Zone.

1.1 Enter Executive Session

C. Yunker made a motion to enter executive session under the Public Officers Law, Article 7, Open Meetings Law Section 105, at 4:01 p.m. for the following reasons:

1. The medical, financial, credit or employment history of a particular person or corporation, or matters leading to the appointment, employment, promotion, demotion, discipline, suspension, dismissal or removal of a particular person or corporation.
2. Discussions regarding proposed, pending or current litigation

The motion was seconded by M. Clattenburg and approved by all members present.

A. Walters with Phillips Lytle video conferenced into the meeting and spoke with the Board during executive session. A. Walters left the meeting at 4:46 p.m.

1.2 Enter Public Session

C. Yunker made a motion to enter back into public session at 4:58 p.m., seconded by P. Battaglia and approved by all members present.

2.0 Chairman's Report & Activities

2.1 Upcoming Meetings:

Next Scheduled Board Meeting: Thursday, October 28th at 4:00 p.m.
Audit & Finance Committee Meeting: Tuesday, October 26th at 8:30 a.m.
STAMP Committee Meeting: Tuesday, October 26th at 10:30 a.m.

2.2 Agenda Additions / Deletions / Other Business -

P. Zelif made a motion to add agenda item 6.4, Settlement with the Nation; the motion was seconded by C. Yunker. Roll call resulted as follows:

P. Battaglia - Yes	C. Yunker - Yes
T. Bender - Absent	P. Zelif - Yes
M. Clattenburg - Yes	M. Gray - Yes
A. Vanderhoof - Absent	

The item was added to the agenda.

P. Battaglia made a motion to remove agenda item 6.3, STAMP Substation Letter of Intent; the motion was seconded by C. Yunker. Roll call resulted as follows:

P. Battaglia - Yes	C. Yunker - Yes
T. Bender - Absent	P. Zelif - Yes
M. Clattenburg - Yes	M. Gray - Yes
A. Vanderhoof - Absent	

The item was removed from the agenda.

2.3 Minutes: September 9, 2021

C. Yunker made a motion to approve the September 9, 2021 minutes as presented; the motion was seconded by M. Clattenburg. Roll call resulted as follows:

P. Battaglia - Yes	C. Yunker - Yes
T. Bender - Absent	P. Zelif - Yes
M. Clattenburg - Yes	M. Gray - Yes
A. Vanderhoof - Absent	

The item was approved as presented.

3.0 Report of Management

3.1 J & R Fancher Property Holdings - Final Resolution - J&R Fancher Property Holdings, LLC is proposing to construct a two-story mixed-used building on 2.6 buildable acres at Buffalo East Technology Park in Pembroke, NY.

The \$1.7 million project includes the following:

1. Create 6 market rate 1-bedroom and 2-bedroom apartments on the second floor plus a detached 6 bay garage.

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2. Create a "vanilla" box interior space on the first floor (7,000 sq. ft.) to attract commercial tenants that will comprise less than 1/3 of total project cost*

Total planned square footage of new construction is 14,000 sq. ft.

Two recent studies by LaBella Associates – the Genesee County Housing Needs Assessment - and The Rockefeller Institute of Government (SUNY's Think Tank) – Generating Growth in Genesee County – identify housing availability as Genesee County's biggest challenge to fully realize the value of the economic development strategy that is in-place and being implemented. LaBella reported that 4,800 units are needed in next 20 years across multiple sectors, including rental units and single-family homes.

The GCEDC is assisting the project with Sales tax exemption (\$72,000), Mortgage Tax Exemption (\$14,000) and Property Tax abatement (\$168,336).

The PILOT follows the Traditional PILOT schedule over 10 years with a 60% average abatement.

*Note: The project is allowable Under § 862-a of GML. An IDA is limited in its ability to provide financial assistance to projects where facilities "that are primarily used in making retail sales to customers who personally visit such facilities constitute more than one-third of the total project cost". The housing portion of this project will be greater than two-thirds of the total project cost.

A public hearing was held on October 5, 2021. No written or oral comments were received.

The economic impact calculation *compares* payroll and payroll taxes for temporary labor as well as sales tax generated from retail services and property taxes that are being paid *against* the proposed incentives. For this project it was determined that for every \$1 of public benefit offered, the company is investing and helping generate an economic contribution/economic impact of \$4 into the local/regional/state economy.

See the Statement of Compliance of Project Criteria listed in the Uniform Tax Exemption Policy (UTEP), attached to the minutes for additional Project details and Board approvals.

Resolution No. 10/2021 - 01

RESOLUTION OF THE GENESEE COUNTY INDUSTRIAL DEVELOPMENT AGENCY D/B/A GENESEE COUNTY ECONOMIC DEVELOPMENT CENTER (THE "AGENCY") (i) ACKNOWLEDGING THE PUBLIC HEARING HELD BY THE AGENCY ON OCTOBER 5, 2021, WITH RESPECT TO THE J & R FANCHER PROPERTY HOLDINGS, LLC (THE "COMPANY") PROJECT (THE "PROJECT"); (ii) MAKING A DETERMINATION WITH RESPECT TO THE PROJECT PURSUANT TO SEQRA; (iii) APPOINTING THE COMPANY AS AGENT OF THE AGENCY; (iv) AUTHORIZING FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF (A) A SALES AND USE TAX EXEMPTION FOR PURCHASES AND RENTALS RELATED TO THE ACQUISITION, CONSTRUCTION, RECONSTRUCTION, RENOVATION AND EQUIPPING OF THE PROJECT, (B) A REAL PROPERTY TAX ABATEMENT STRUCTURED THROUGH A TAX AGREEMENT, AND (C) A MORTGAGE RECORDING TAX EXEMPTION AS AUTHORIZED BY THE LAWS OF THE STATE OF NEW YORK; AND (v) AUTHORIZING THE NEGOTIATION, EXECUTION AND DELIVERY OF A PROJECT AGREEMENT, LEASE AGREEMENT, LEASEBACK AGREEMENT, TAX AGREEMENT, MORTGAGE AND RELATED DOCUMENTS WITH RESPECT TO THE PROJECT.

P. Battaglia made a motion to accept final resolution #10/2021-01, authorizing incentives as presented; the motion was seconded by M. Clattenburg. Roll call resulted as follows:

P. Battaglia -	Yes	C. Yunker -	Yes
T. Bender -	Absent	P. Zelif -	Yes
M. Clattenburg -	Yes	M. Gray -	Yes
A. Vanderhoof -	Absent		

The item was approved as presented.

3.2 Gateway GS, LLC – Scrivner’s Error – On August 5, 2021, the Board approved the final resolution for the Gateway GS, LLC Project, which omitted language about the mortgage tax exemption even though it was clearly discussed as part of Board approvals. The corrected resolution, included with Board materials, was brought forward to show that the appropriate language is now reflected in the resolution. Per R. Gaenzle, a vote is not required.

3.3 GLOW With Your Hands –Recap- September 28, 2021 - J. Krencik provided an overview of the successful career exploration event that was held on September 28, 2021, at the Genesee County Fairgrounds in Batavia. The event hosted about 700 students and introduced them to local manufacturers, agricultural businesses, skilled trades organizations, and the food and beverage industry to learn about career paths and do hands-on demonstrations.

4.0 Audit & Finance Committee

4.1 August 2021 Financial Statements - L. Farrell reviewed the August 2021 financial statements with the Board. The following was noted:

- Restricted cash decreased. There were large expenditures for STAMP in August as we continue to pay on STAMP contracts. GURFs were submitted for these expenditures.
- The LandPro Project closed in August; we collected \$115,000 in origination fees.
- Other than the above-mentioned items, there is normal monthly activity on the income statements for all funds

The financial statements were reviewed in detail by the Committee and are recommended for approval.

M. Gray made a motion to approve the August 2021 Financial Statements as presented; the motion was seconded by P. Battaglia. Roll call resulted as follows:

P. Battaglia -	Yes	C. Yunker -	Yes
T. Bender -	Absent	P. Zelif -	Yes
M. Clattenburg -	Yes	M. Gray -	Yes
A. Vanderhoof -	Absent		

The item was approved as presented.

4.2 Land Lease Rates – M. Masse presented the proposed schedule for the land lease rates that were included with the meeting materials. M. Masse stated that C. Yunker confirmed that market conditions justify an increase in rates. Acreage that was charged \$60/acre for 2021 will increase to \$70/acre for 2022. Acreage that was charged \$65/acre for 2021 will increase to \$75/acre for 2022. Lamb Farms and

Call Farms leased acreage that is approximately \$3/acre was set in the purchase option agreements when the land was acquired. These rates are essentially the carrying costs of the properties. If Lamb Farms or Call Farms did not want to farm the land that is set at approximately \$3/acre, the lease rate would increase to market rate for the new lessee.

This was recommended for approval by the Committee.

M. Gray made a motion to approve the Land Lease Rates as presented; the motion was seconded by P. Battaglia. Roll call resulted as follows:

P. Battaglia -	Yes	C. Yunker -	Yes
T. Bender -	Absent	P. Zelif -	Yes
M. Clattenburg -	Yes	M. Gray -	Yes
A. Vanderhoof -	Absent		

The item was approved as presented.

5.0 Governance & Nominating Committee – C. Yunker

5.1 Pricing Policy – PILOT Assignment – The GCEDC’s current pricing policy allows an origination fee to be charged on any request to transfer a PILOT from one entity to another. The policy was included with meeting materials and the pertinent section is highlighted. The transfer will usually occur when a company would sell their building to another company. Under the terms of the PILOT agreement any transfer of a PILOT must be approved by the GCEDC Board. The pricing policy is very open ended as far as how to charge a fee. The Governance Committee met to discuss this and decided on charging a fee based on the prorated amount of benefits remaining on the original incentives. The Committee feels like this will give the staff the necessary direction when discussing this with companies. Based on this discussion the Committee decided that a sample project could be calculated and taken directly to the full Board for discussion and consideration. There was a sample project included with meeting materials to see how it will be calculated. The sample assumes that the PILOT was based on a 100,000 square foot building that is assessed at \$3.5 million. It received a standard 10-year PILOT and they are selling the facility after five years on the PILOT have expired, for \$8 million. The calculation was reviewed and included with meeting materials.

C. Yunker made a motion to approve the Pricing Policy – PILOT Assignment as presented; the motion was seconded by P. Battaglia. Roll call resulted as follows:

P. Battaglia -	Yes	C. Yunker -	Yes
T. Bender -	Absent	P. Zelif -	Yes
M. Clattenburg -	Yes	M. Gray -	Yes
A. Vanderhoof -	Absent		

The item was approved as presented.

6.0 STAMP Committee – P. Zelif

6.1 Survey Bids for Work at STAMP- The GCEDC asked four companies for bids to survey the following at STAMP.

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Base Bid:

1. Boundary survey with legal description, metes and bounds for new substation at north end of site. That boundary survey will then be split into two parcels with National Grid and NYPA being the two parties who will take ownership of the parcels upon subdivision. The survey work will need to be completed according to NYPA and National Grid specifications. See attachment A.
2. Boundary survey with legal description, metes and bounds for new 100 foot easement for National Grid for new 115 kV transmission line. The survey work will need to be completed according to National Grid specifications. See attachment B-1 and B-2.
3. Boundary survey with legal description, metes and bounds to be used to subdivide out the "Utility area" on the STAMP site. See attachment C.

Bid Alternate A:

4. Boundary survey with legal description, metes and bounds for an approximate 178 acres adjacent to the Tonawanda Seneca Nation Territory to be used for the filing of a conservation easement on four separate land parcels. All work needs to be coordinated with a representative from the Tonawanda Seneca Nation. See attachment C.

The results of the bids are as follows:

1. Base bid of \$10,450 and bid alternate of \$4,810 (total of \$15,260) – Frandina Engineering and Land Surveying
2. Welch & O'Donoghue no bid submitted
3. Townsend & Lamendola no bid submitted
4. Ravi Engineering and Land Surveying declined to bid

Fund Commitment: Not to exceed \$15,260 to Frandina Engineering and Land Surveying for STAMP survey work to be covered under the \$8 million ESD grant.

This was recommended for approval by the Committee.

P. Zeliff made a motion to approve the survey contract for STAMP to Frandina Engineering and Land Surveying as presented; the motion was seconded by M. Clattenburg. Roll call resulted as follows:

P. Battaglia -	Yes	C. Yunker -	Yes
T. Bender -	Absent	P. Zeliff -	Yes
M. Clattenburg -	Yes	M. Gray -	Yes
A. Vanderhoof -	Absent		

The item was approved as presented.

6.2 Proposal to Update the Land Management Plan - In July of 2017, as part of the Incentive Zoning Agreement and to satisfy mitigation action proposed during SEQOR review and identified in Findings Statements, the GCEDC agreed to put together a Long-Term Management Plan (LTP) to guide management of natural resources and land use on the STAMP site before, during and after development. This document was required to be updated every five years. As the first

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project is locating at STAMP there are several things that should be revisited and revised in the LTP before the next tenant commits. The Town of Alabama Planning Board is utilizing this document as part of their review process.

Fund Commitment: \$22,600 to be covered under the \$8 million ESD grant.

This was recommended for approval by the Committee.

P. Zelif made a motion to approve the CC Environment and Planning proposal to update and revise the Land Management Plan not to exceed \$22,600; the motion was seconded by P. Battaglia. Roll call resulted as follows:

P. Battaglia -	Yes	C. Yunker -	Yes
T. Bender -	Absent	P. Zelif -	Yes
M. Clattenburg -	Yes	M. Gray -	Yes
A. Vanderhoof -	Absent		

The item was approved as presented.

6.3 STAMP Substation Letter of Intent- This item was removed from the agenda.

6.4 Settlement with Nation – A copy of the settlement agreement with the Nation was provided to Board members in executive session. The Nation will complete a final review on Tuesday, October 12th.

This was not recommended for approval by the STAMP Committee. The discussion went directly to the Board.

C. Yunker made a motion to approve the settlement with the Nation subject to the Nation's approval and to approve any minor adjustments to the settlement that might result from the Nation's final review that do not change the terms and conditions of the settlement; the motion was seconded by P. Battaglia. Roll call resulted as follows:

P. Battaglia -	Yes	C. Yunker -	Yes
T. Bender -	Absent	P. Zelif -	Yes
M. Clattenburg -	Yes	M. Gray -	Yes
A. Vanderhoof -	Absent		

The item was approved as presented.

7.0 Employment & Compensation – T. Bender

7.1 Nothing at this time.

8.0 Housing Committee – P. Battaglia

8.1 Nothing at this time.

9.0 Other Business

10.0 Adjournment

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As there was no further business, P. Battaglia made a motion to adjourn at 5:17 p.m., which was seconded by C. Yunker and passed unanimously.



Project Name: J&R Fancher Property Holdings, LLC

Board Meeting Date: September 9, 2021

STATEMENT OF COMPLIANCE OF PROJECT CRITERIA LISTED IN UNIFORM TAX EXEMPTION POLICY (UTEP)

PROJECT DESCRIPTION:

J&R Fancher Property Holdings, LLC is proposing the to construct a two-story mixed-used building on 2.6 buildable acres at Buffalo East Technology Park in Pembroke, NY.

The \$1.7 million project includes the following:

1. Create 6 market rate 1-bedroom and 2-bedroom apartments on the second floor plus a detached 6 bay garage.
2. Create a "vanilla" box interior space on the first floor (7,000 sq. ft.) to attract commercial tenants that will comprise less than 1/3 of total project cost*.

Total planned square footage of new construction is 14,000 sq. ft.

Two recent studies by LaBella Associates – the Genesee County Housing Needs Assessment - and The Rockefeller Institute of Government (SUNY’s Think Tank) – Generating Growth in Genesee County – identify housing availability as Genesee County’s biggest challenge in order to fully realize the value of the economic development strategy that is in-place and being implemented. LaBella reported that 4,800 units are needed in next 20 years across multiple sectors, including rental units and single-family homes.

The GCEDC is assisting the project with Sales tax exemption (\$72,000), Mortgage Tax Exemption (\$14,000) and Property Tax abatement (\$168,336).

*Note: The project is allowable Under § 862-a of GML, an IDA is limited in its ability to provide financial assistance to projects where facilities “that are primarily used in making retail sales to customers who personally visit such facilities constitute more than one-third of the total project cost”.

Criteria #1 – The Project pledges to create and/or retain quality, good paying jobs in Genesee County.

Project details: N/A

Board Discussion: None.

Criteria #2- Completion of the Project will enhance the long-term tax base and/or make a significant capital investment.

Project details: The Project will make a \$1.7 million investment and enhance the long-term tax base when completed.

Board Discussion: None.

**C. Yunker made a motion to concur with Criteria #2; the motion was seconded by P. Battaglia.
Roll call resulted as follows:**

P. Battaglia -	Absent	C. Yunker -	Yes
T. Bender -	Absent	P. Zelif -	Yes
M. Clattenburg -	Yes	M. Gray -	Yes
A. Vanderhoof -	Absent		

The item was approved as presented.

Board Concurrence: YES NO If no, state justification:

Criteria #3- The Project will contribute towards creating a "liveable community" by providing a valuable product or service that is underserved in Genesee County.

Project details: The Project is part of a county wide housing deficit (see Genesee County [2018 Housing Study](#) by LaBella Associates) and is providing market rate housing and other services to Pembroke and Genesee County.

Board Discussion: None.

**M. Clattenburg made a motion to concur with Criteria #3; the motion was seconded by C. Yunker.
Roll call resulted as follows:**

P. Battaglia -	Absent	C. Yunker -	Yes
T. Bender -	Absent	P. Zelif -	Yes
M. Clattenburg -	Yes	M. Gray -	Yes
A. Vanderhoof -	Absent		

The item was approved as presented.

Board Concurrence: YES NO If no, state justification:

Criteria #4: The Board will review the Agency's Fiscal and Economic Impact analysis of the Project to determine if the Project will have a meaningful and positive impact on Genesee County. This calculation will include the estimated value of any tax exemptions to be provided along with the estimated additional sources of revenue for municipalities and school districts that the proposed project may provide.

Project details: For every \$1 of public benefit offered, the company is investing and helping generate an economic contribution/economic impact of \$4 into the local/regional/state economy. See economic impact report for further details.

Board Discussion: None.

**P. Battaglia made a motion to concur with Criteria #4; the motion was seconded by C. Yunker.
Roll call resulted as follows:**

P. Battaglia - Absent
T. Bender - Absent
M. Clattenburg - Yes
A. Vanderhoof - Absent
C. Yunker - Yes
P. Zelif - Yes
M. Gray - Yes

The item was approved as presented.

Board Concurrence: YES NO If no, state justification:

Criteria #5: The Project is included in one of the Agency's strategic industries: Agri-Business and Food Processing, Manufacturing, Advanced Manufacturing and Nano-Enabled Manufacturing, Life Sciences and Medical Device.

Project details: While the project is not defined within the Agency's strategic industries, this project is a strategic project within GCEDC's placemaking initiative and important to Genesee County's broader objectives. Recent studies by LaBella Associates and an economic strategy study by The Rockefeller Institute of Government (SUNY's Thinktank) suggest this is Genesee County's biggest challenge in order to fully realize the value of the economic development strategy that is in-place and being implemented. Some 4,800 units needed in next 20 years across multiple sectors including rental units and single-family homes.

Board Discussion: None.

M. Gray made a motion to concur with Criteria #5; the motion was seconded by P. Battaglia. Roll call resulted as follows:

P. Battaglia - Absent
T. Bender - Absent
M. Clattenburg - Yes
A. Vanderhoof - Absent
C. Yunker - Yes
P. Zelif - Yes
M. Gray - Yes

The item was approved as presented.

Board Concurrence: YES NO If no, state justification:

Criteria #6: The Project will give a reasonable estimated timeline for the completion of the proposed project.

Project details: The project is planning to begin construction in Winter of 2021 and be operational in 2021.

Board Discussion: None.

C. Yunker made a motion to concur with Criteria #6; the motion was seconded by P. Battaglia. Roll call resulted as follows:

P. Battaglia - Absent
T. Bender - Absent
C. Yunker - Yes
P. Zelif - Yes

M. Clattenburg - Yes
A. Vanderhoof - Absent

M. Gray - Yes

The item was approved as presented.

Board Concurrence: YES NO If no, state justification:

Ellicott Station LLC and Ellicott Station Commercial LLC updated resolution

Discussion: The Ellicott Station project has a few updates that need to be approved through a revised resolution. There are three items that have been revised since the original approval:

1. With respect to the mortgage closing later this month, both Ellicott Station, LLC and Ellicott Station Commercial, LLC will each be granting one another an access easement in order to construct each facility. The various leaseback agreements require the IDA consent to such. Attached is a resolution whereby the board authorizes each entity to grant the easement(s) to one another.
2. The estimated amount of the mortgage is being increased from \$20 million to \$26,250,850 million which will result in an increase to the mortgage tax exemption from \$200,000 to \$262,508.50.
3. The terms of the Residential PILOT and the Commercial PILOT, specifically, the fixing of the Base Valuation (as defined in the Residential PILOT and Commercial PILOT, respectively) during the Interim Tax Years (as further specified in the Residential PILOT and Commercial PILOT, respectively) results in a benefit to the company which in turn takes the PILOT from 30 years to 33 years. Normally the GCEDC PILOTS have companies pay 100% of any interim assessed value during construction so that does not qualify as a benefit since they are paying 100%. In this instance we are fixing the assessed value during the interim assessed value during construction which could potentially give rise to a benefit. The GCEDC is seeking Board approval of this difference.

Fund Commitment: None.

Board Action Request: Approval of authorizing resolution to address the three items listed above.



500 Seneca Street, Suite 508
Buffalo, New York 14204
Phone: (716) 332-5959
Fax: (716) 332-5968

October 22, 2021

Steven G. Hyde
President & CEO
Genesee County Economic Development Center
99 MedTech Drive
Batavia, NY 14020

Re: Ellicott Station GCIDA Project Agreement
Maximum Mortgage Principal Amount

Dear Mr. Hyde,

We are writing to respectfully request an additional increase to the Maximum Mortgage Principal Amount for Ellicott Station. Specifically, we are requesting a \$6,250,850 increase from \$20,000,000 to \$26,250,850.

The reason for the requested increase is the addition of mortgages for grant funding and brownfield tax credit equity that will now come into the project in the form of loans. Previously, it was not anticipated that the grant loans would require mortgages, and the brownfield equity is being loaned into the project, rather than contributed as equity, for tax purposes. Schedule of mortgages:

Ellicott Station Residential

Construction Loan – Up to \$16,600,000
Brownfield Equity Loan - \$2,805,841
Restore NY Grant Loan - \$500,000

Request: increase residential Maximum Mortgage Principal Amount to \$19,905,850


Ellicott Station Commercial

Construction Loan – up to \$3,200,000
Brownfield Equity Loan - \$493,554
ESD, National Grid and National Fuel Grants Loan - \$2,651,445

Request: increase commercial Maximum Mortgage Principal Amount to \$6,345,000

On behalf of Savarino Companies, the development team and all our partners I extend our gratitude for your patience throughout the development of this challenging project and for your consideration of this additional request. If you have any questions or require additional information, as always, please do not hesitate to contact me.

Very Truly Yours,

DocuSigned by:

Courtney Samuels-Cox,
Vice President, Development

AUTHORIZING RESOLUTION

(Ellicott Station LLC and Ellicott Station Commercial LLC Projects)

A regular meeting of the Genesee County Industrial Development Agency d/b/a Genesee County Economic Development Center was convened on Thursday, October 28, 2021.

The following resolution was duly offered and seconded, to wit:

Resolution No. 10/2021 - _____

RESOLUTION OF THE GENESEE COUNTY INDUSTRIAL DEVELOPMENT AGENCY D/B/A GENESEE COUNTY ECONOMIC DEVELOPMENT CENTER (THE "AGENCY") AUTHORIZING (i) THE EXECUTION AND DELIVERY OF AN UP TO \$26,250,850.00 AGGREGATE PRINCIPAL AMOUNT MORTGAGE FOR THE ELLICOTT STATION LLC PROJECT AND ELLICOTT STATION COMMERCIAL LLC PROJECT, (ii) THE AGENCY TO CONSENT TO THE GRANTING OF RECIPROCAL EASEMENTS BY ELLICOTT STATION AND ELLICOTT STATION COMMERCIAL (EACH DEFINED BELOW) AND TO EXECUTE ALL NECESSARY DOCUMENTS IN CONNECTION THEREWITH, AND (iii) THE RATIFICATION OF CERTAIN TERMS OF CERTAIN TAX AGREEMENTS (AS FURTHER DESCRIBED BELOW) RELATING TO THE ELLICOTT STATION LLC PROJECT AND ELLICOTT STATION COMMERCIAL LLC PROJECT.

WHEREAS, by resolution adopted by the GENESEE COUNTY INDUSTRIAL DEVELOPMENT AGENCY D/B/A GENESEE COUNTY ECONOMIC DEVELOPMENT CENTER (the "Agency") on June 4, 2020 (the "Resolution"), the Agency authorized the execution of certain documents with respect to the Residential Project (as defined below), including (i) that certain Project Agreement, dated July 21, 2021 (the "Residential Project Agreement"), by and between Ellicott Station LLC ("Ellicott Station") and the Agency; (ii) that certain Lease Agreement, dated as of July 1, 2021 (the "Residential Lease") by and between Ellicott Station and the Agency, a Memorandum of which was recorded in the Genesee County Clerk's Office on July 29, 2021 as Instrument No. DE2021-1134; (iii) that certain Leaseback Agreement, dated as of July 1, 2021 (the "Residential Leaseback"), by and between Ellicott Station and the Agency, a Memorandum of which was recorded in the Genesee County Clerk's Office on July 29, 2021 as Instrument No. DE2021-1135; (iv) that certain Tax Agreement, dated as of July 1, 2021 (the "Residential PILOT"), by and between Ellicott Station and the Agency; and (v) related documents (collectively, "Residential Project Documents"); and

WHEREAS, pursuant to the Resolution, the Agency also authorized the execution of certain documents with respect to the Commercial Project (as defined below), including (i) that certain Project Agreement, dated July 21, 2021 (the "Commercial Project Agreement"), by and between Ellicott Station Commercial LLC ("Ellicott Station Commercial") and the Agency; (ii) that certain Lease Agreement, dated as of July 1, 2021 (the "Commercial Lease") by and

between Ellicott Station Commercial and the Agency, a Memorandum of which was recorded in the Genesee County Clerk's Office on July 29, 2021 as Instrument No. DE2021-1138; (iii) that certain Leaseback Agreement, dated as of July 1, 2021 (the "Commercial Leaseback"), by and between Ellicott Station Commercial and the Agency, a Memorandum of which was recorded in the Genesee County Clerk's Office on July 29, 2021 as Instrument No. DE2021-1139; (iv) that certain Tax Agreement, dated as of July 1, 2021 (the "Commercial PILOT"), by and between Ellicott Station Commercial and the Agency; and (v) related documents (collectively, "Commercial Project Documents"); and

WHEREAS, pursuant to the Residential Project Documents, the Agency provided financial assistance to the Company in the form of (a) a sales tax exemption for purchases and rentals related to the acquisition, construction and equipping of the Project, (b) a partial real property tax abatement through the Tax Agreement, and (c) a mortgage recording tax exemption for the financing related to the Project (collectively, the "Residential Financial Assistance"); and

WHEREAS, pursuant to the Commercial Project Documents, the Agency provided financial assistance to the Company in the form of (a) a sales tax exemption for purchases and rentals related to the acquisition, construction and equipping of the Project, (b) a partial real property tax abatement through the Tax Agreement, and (c) a mortgage recording tax exemption for the financing related to the Project (collectively, the "Commercial Financial Assistance"); and

WHEREAS, the Residential Project consisted of: (i) the acquisition by the Agency of a leasehold or other interest in certain land located at 56 Ellicott Street (to be known as 50 Ellicott Street), City of Batavia, Genesee County, New York (being more particularly described as tax map identification number 84.015-1-2.12) (the "Land") and the existing improvements located thereon, consisting principally of one (1) abandoned building (the "Existing Improvements"); (ii) the abatement and demolition of one or more Existing Improvements; (iii) the new construction of an approximately 55-unit workforce housing apartment building (with ground floor parking), all of which will be targeted to households with incomes at or below sixty percent (60%) of Area Median Income (collectively, the "Improvements"); and (iv) the acquisition by the Company in and around the Improvements of certain items of machinery, equipment and other tangible personal property (the "Equipment"; and, together with the Land, the Existing Improvements and the Improvements, the "Residential Facility"); and

WHEREAS, the Commercial Project consisted of: (i) the acquisition by the Agency of a leasehold or other interest in certain land located at 40-52 and 70 Ellicott Street (to be known as 40 and 56 Ellicott Street, respectively), City of Batavia, Genesee County, New York (being more particularly described as tax map identification numbers 84.015-1-2.11 and 84.015-1-2.13, respectively) (the "Land") and the existing improvements located thereon, consisting principally of two (2) abandoned buildings (the "Existing Improvements"); (ii) the abatement and demolition of one or more Existing Improvements; (iii) the new construction of a brewery and restaurant/beer garden (collectively, the "Improvements"); and (iv) the acquisition by the Company in and around the Improvements of certain items of machinery, equipment and other

tangible personal property (the "Equipment"; and, together with the Land, the Existing Improvements and the Improvements, the "Commercial Facility"); and

WHEREAS, the Agency, pursuant to its resolution dated July 1, 2021, previously authorized the Agency to execute and deliver certain mortgages in the maximum principal amount of \$20,000,000.00; and

WHEREAS, due to complications stemming from the COVID-19 pandemic, Ellicott Station and Ellicott Station Commercial have requested that the Agency provide a mortgage recording tax exemption upon the recording of an \$26,250,850.00 aggregate principal amount mortgage (the "Mortgage"); and

WHEREAS, Ellicott Station and Ellicott Station Commercial wish to grant one another a reciprocal easement (the "Easements") to enable Ellicott Station and Ellicott Station Commercial to construct the Residential Facility and Commercial Facility, respectively; and

WHEREAS, prior to the granting of the Easements by Ellicott Station and Ellicott Station Commercial, both the Residential Project Documents and Commercial Project Documents require the Agency consent to such action; and

WHEREAS, the Agency desires to provide its consent to the granting of the Easements;
and

WHEREAS, the Agency desires to ratify certain terms of the Residential PILOT and the Commercial PILOT, specifically, the fixing of the Base Valuation (as defined in the Residential PILOT and Commercial PILOT, respectively) during the Interim Tax Years (as further specified in the Residential PILOT and Commercial PILOT, respectively).

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

Section 1. The Chairman, Vice Chairman, President/CEO and/or Senior Vice President of Operations of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Mortgage, assignment of leases and rents, security agreement, UCC-1 Financing Statements and all documents reasonably contemplated by these resolutions or required by any Lender identified by the Company (the "Lender") in such forms as approved by counsel to the Agency up to a maximum principal amount of **\$26,250,850.00** necessary to undertake the Project, acquire the Facility and/or finance or refinance equipment and other personal property and related transactional costs (hereinafter, together with the Residential Documents and the Commercial Documents, the "Agency Documents"); and, where appropriate, the Secretary or Assistant Secretary of the Agency is hereby authorized to affix the seal of the Agency to the Agency Documents and to attest the same, all with such changes, variations, omissions and insertions as the Chairman, Vice Chairman or President/CEO, the execution thereof by the Chairman, Vice Chairman, President/CEO and/or Senior Vice President of Operations of the Agency to constitute conclusive evidence of such approval;

provided, in all events, recourse against the Agency is limited to the Agency's interest in the Residential Project and the Commercial Project, respectively.

Section 2. The Agency hereby (i) consents to the above-described Easements and (ii) ratifies and confirms the terms of the Residential PILOT and the Commercial PILOT.

Section 3. The Chairman, Vice Chairman and/or the Chief Executive Officer of the Agency are hereby authorized, on behalf of the Agency, to execute any and all documents necessary to effectuate the foregoing resolutions.

Section 4. The officers, employees and agents of the Agency are hereby authorized and directed for an in the name and on behalf of the Agency to do all acts and things required and to execute and deliver all such 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 resolutions and to cause compliance by the Agency with all of the terms, covenants and provisions of the documents executed for and on behalf of the Agency.

Section 5. This resolution shall take effect immediately.

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The question of the adoption of the foregoing resolutions was duly put to a vote by roll call, which resulted as follows:

	<u>Yea</u>	<u>Nay</u>	<u>Absent</u>	<u>Abstain</u>
Peter Zeliff	[]	[]	[]	[]
Matthew Gray	[]	[]	[]	[]
Paul Battaglia	[]	[]	[]	[]
Craig Yunker	[]	[]	[]	[]
Todd Bender	[]	[]	[]	[]
Amy Vanderhoof	[]	[]	[]	[]
Marianne Clattenburg	[]	[]	[]	[]

The resolutions were thereupon duly adopted.

STATE OF NEW YORK)
COUNTY OF GENESEE) ss:

I, the undersigned Secretary of the Genesee County Industrial Development Agency d/b/a Genesee County Economic Development Center, DO HEREBY CERTIFY:

That I have compared the foregoing extract of the minutes of the special meeting of the Genesee County Industrial Development Agency d/b/a Genesee County Economic Development Center (the "Agency") including the resolution contained therein, held on the 28th day of October, 2021, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolution set forth therein and of the whole of said original insofar as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that all members of said Agency had due notice of said meeting, that the meeting was in all respects duly held and that, pursuant to Article 7 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public, and that public notice of the time and place of said meeting was duly given in accordance with Article 7.

I FURTHER CERTIFY that there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or modified.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of said Agency this ___ day of _____, 2021.

Secretary

Genesee County Economic Development Center
September 2021 Dashboard
Balance Sheet - Accrual Basis

	<u>9/30/21</u>	<u>8/31/21</u>	<u>[Per Audit]</u> <u>12/31/20</u>
ASSETS:			
Cash - Unrestricted	\$ 2,418,757	\$ 2,432,457	\$ 2,257,813
Cash - Restricted ^{(A)(1)}	3,815,644	4,766,950	8,089,027
Cash - Reserved ^(B)	792,437	796,839	791,347
Cash - Subtotal	7,026,838	7,996,246	11,138,187
Grants Receivable ⁽²⁾	104,830	110,330	86,350
Accts Receivable- Current ⁽³⁾	376,429	344,217	280,042
Deposits	2,832	2,832	2,832
Prepaid Expense(s) ⁽⁴⁾	12,944	14,200	26,223
Loans Receivable - Current	55,771	55,184	52,923
Total Current Assets	7,579,644	8,523,009	11,586,557
Land Held for Dev. & Resale ⁽⁵⁾	18,071,343	17,528,009	15,930,796
Furniture, Fixtures & Equipment	67,982	67,982	67,982
Total Property, Plant & Equip.	18,139,325	17,595,991	15,998,778
Less Accumulated Depreciation	(67,982)	(67,982)	(67,982)
Net Property, Plant & Equip.	18,071,343	17,528,009	15,930,796
Accts Receivable- Non-current	-	-	279,650
Loans Receivable- Non-current ^(Net of \$47,429 Allow. for Bad Debt)	210,248	215,028	253,122
Other Assets	210,248	215,028	532,772
TOTAL ASSETS	25,861,235	26,266,046	28,050,125
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Pension Outflows ⁽¹⁰⁾	492,700	492,700	492,700
Deferred Outflows of Resources	492,700	492,700	492,700
LIABILITIES:			
Accounts Payable ⁽⁶⁾	4,324	4,169	222,159
Loan Payable - Genesee County - Current ⁽⁷⁾	295,000	295,000	290,000
Accrued Expenses	52,870	40,893	22,736
Unearned Revenue ⁽⁸⁾	3,668,780	4,341,914	6,751,032
Total Current Liabilities	4,020,974	4,681,976	7,285,927
Loans Payable - ESD ⁽⁹⁾	5,196,487	5,196,487	5,196,487
Loan Payable - Genesee County - Noncurrent ⁽⁷⁾	3,130,000	3,130,000	3,425,000
Aggregate Net Pension Liability ⁽¹⁰⁾	704,674	704,674	704,674
Total Noncurrent Liabilities	9,031,161	9,031,161	9,326,161
TOTAL LIABILITIES	13,052,135	13,713,137	16,612,088
DEFERRED INFLOWS OF RESOURCES			
Deferred Pension Inflows ⁽¹⁰⁾	54,982	54,982	54,982
Deferred Inflows of Resources	54,982	54,982	54,982
NET ASSETS	\$ 13,246,818	\$ 12,990,627	\$ 11,875,755

Significant Events:

1. Restricted Cash - Includes cash deposited by ESD into imprest accounts related to the \$8M and \$33M STAMP grants. Expenditures out of these accounts are pre-authorized by ESD. Also included are funds received from the County per a Water Supply Agreement, to be put towards water improvements located in the Town of Alabama and the Town of Pembroke and other Phase II improvements as identified by the County. These funds are being used to pay for qualifying expenditures.

2. Grants Receivable - ESD \$33M grant reimbursement for STAMP permit; National Grid grants support marketing and development activities for STAMP and the LeRoy Food & Tech Park.
3. Accounts Receivable (Current) - Econ. Dev. Program Support Grant; MedTech Centre Property Management; termed out Project Origination Fees from HP Hood to be collected in the next 12 months, etc.
4. Prepaid Expense(s) - October lease payment, General Liability, Cyber, D&O, Life, long-term and short-term disability insurance.
5. Land Held for Dev. & Resale - Additions are related to STAMP development costs.
6. Accounts Payable - e3communications expenses and interest earned on imprest accounts that will be remitted to ESD.
7. Loan Payable - Genesee County (Current & Noncurrent) - Per a Water Supply Agreement with Genesee County, the County remitted \$4M to the GCEDC to put towards water improvements located in the Town of Alabama and the Town of Pembroke and other Phase II improvements as identified by the County. GCEDC started making annual payments to the County of \$448,500 beginning in January 2020.
8. Unearned Revenue - Interest received in advance; Genesee County contribution received in advance; Funds received from municipalities to support park development; Funds received to support workforce development; ESD Grant funds to support STAMP development, not actually earned until eligible expenditures are incurred.
9. Loans Payable - ESD - Loans from ESD to support STAMP land acquisition and related soft costs.
10. Deferred Pension Outflows / Aggregate Net Pension Liability / Deferred Pension Inflows - Accounts related to implementation of GASB 68.

(A) Restricted Cash = Municipal Funds, RLF #2 Funds, Grant Funds Received in Advance.

(B) Reserved Cash = RLF #1 Funds (defederalized).

**Genesee County Economic Development Center
September 2021 Dashboard
Profit & Loss - Accrual Basis**

	Month to Date		YTD		2021	2021
	9/30/21	9/30/20	2021	2020	Board Approved Budget	YTD % of Budget
<u>Operating Revenues:</u>						
Genesee County	\$ 19,459	\$ 19,459	\$ 175,132	\$ 175,132	\$ 233,513	75%
Fees - Projects (1)	46,875	17,573	470,875	197,914	399,500	118%
Fees - Services	6,961	6,707	62,650	60,363	83,387	75%
Interest Income on Loans	266	313	2,537	2,960	3,313	77%
Rent	3,900	5,468	16,806	12,789	24,790	68%
Common Area Fees - Parks	-	-	355	700	500	71%
Grants (2)	675,103	256	5,800,601	2,655,947	21,692,668	27%
GGLDC Grant- Econ. Dev. Program Support	25,000	25,000	225,000	225,000	300,000	75%
GCFC Grant - Econ. Dev. Program Support	-	-	-	50,000	-	N/A
BP ² Revenue	-	168	701	345	8,634	8%
Other Revenue	252	139	2,159	7,133	5,000	43%
Total Operating Revenues	777,816	75,083	6,756,816	3,388,283	22,751,305	30%
<u>Operating Expenses</u>						
General & Admin	105,495	88,857	955,765	915,315	1,415,425	68%
Professional Services	1,500	104	29,619	28,539	108,000	27%
Site Maintenance/Repairs	1,252	901	4,406	4,621	17,200	26%
Property Taxes/Special District Fees	1,263	20	5,860	2,553	3,320	177%
PIF Expense	-	-	35,042	28,410	134,115	26%
Site Development Expense (3)	412,540	717,613	4,361,110	2,125,266	3,645,504	120%
Real Estate Development (4)	543,334	165,794	2,140,548	1,525,936	17,943,703	12%
Balance Sheet Absorption	(543,334)	(165,794)	(2,140,548)	(1,525,936)	-	N/A
Total Operating Expenses	522,050	807,495	5,391,802	3,104,704	23,267,267	23%
Operating Revenue (Expense)	255,766	(732,412)	1,365,014	283,579	(515,962)	
<u>Non-Operating Revenue</u>						
Other Interest Income	425	887	6,049	18,300	7,000	86%
Total Non-Operating Revenue	425	887	6,049	18,300	7,000	86%
Change in Net Assets	256,191	(731,525)	1,371,063	301,879	\$ (508,962)	
Net Assets - Beginning	12,990,627	11,905,932	11,875,755	10,872,528		
Net Assets - Ending	\$ 13,246,818	\$ 11,174,407	\$ 13,246,818	\$ 11,174,407		

Significant Events:

1. Fees Projects - Closed on the Batavia Special Needs project in September.
2. Grants - \$448K Community Benefit Agreement payment dedicated to STAMP by sourcing debt service payments to the County; PIF from RJ Properties (Liberty Pumps) supports Apple Tree Acres Infrastructure improvements; PIF from Yancey's Fancy supports Infrastructure Fund Agreement with the Town of Pembroke; ESD \$33M & \$8M Grants support STAMP engineering, environmental, legal, infrastructure, etc.
3. Site Development Expense - Installation of, or improvements to, infrastructure that is not owned by the GCEDC, or will be dedicated to a municipality in the foreseeable future, is recorded as site development expense when costs are incurred.
4. Real Estate Development Costs YTD - Includes STAMP development costs; house at the STAMP site purchased in 1st Quarter of 2021.

Genesee County Economic Development Center
September 2021 Dashboard
Statement of Cash Flows

	<u>September 2021</u>	<u>YTD</u>
CASH FLOWS USED BY OPERATING ACTIVITIES:		
Genesee County	\$ 19,459	\$ 194,591
Fees - Projects	46,875	735,520
Fees - Services	-	41,767
Interest Income on Loans	235	2,352
Rent	3,900	17,006
Common Area Fees - Parks	-	355
Grants	7,500	2,695,595
BP ² Revenue	-	701
GGLDC Grant - Economic Development Program Support	-	150,000
Other Revenue	252	2,159
Repayment of Loans	4,193	40,026
General & Admin Expense	(92,459)	(915,160)
Professional Services	(1,500)	(50,830)
Site Maintenance/Repairs	(1,252)	(4,406)
Site Development	(412,540)	(4,430,758)
Property Taxes/Special District Fees	(1,263)	(5,860)
PIF Expense	-	(35,042)
Improv/Additions/Adj to Land Held for Development & Resale	(543,334)	(2,265,243)
Net Cash Used By Operating Activities	<u>(969,934)</u>	<u>(3,827,227)</u>
CASH FLOWS USED BY NONCAPITAL FINANCING ACTIVITIES:		
Principal Payments on Loan	-	(290,000)
Net Cash Used By Noncapital Financing Activities	<u>-</u>	<u>(290,000)</u>
CASH FLOWS PROVIDED BY INVESTING ACTIVITIES:		
Interest Income (Net of Remittance to ESD)	<u>526</u>	<u>5,878</u>
Net Change in Cash	(969,408)	(4,111,349)
Cash - Beginning of Period	7,996,246	11,138,187
Cash - End of Period	<u>\$ 7,026,838</u>	<u>\$ 7,026,838</u>
RECONCILIATION OF NET OPERATING REVENUE TO NET CASH USED BY OPERATING ACTIVITIES:		
Operating Revenue	\$ 255,766	\$ 1,365,014
(Increase) Decrease in Operating Accounts/Grants Receivable	(26,712)	164,783
Decrease in Prepaid Expenses	1,256	13,279
Decrease in Loans Receivable	4,193	40,026
Increase in Land Held for Development & Resale	(543,334)	(2,140,547)
Increase (Decrease) in Operating Accounts Payable	54	(217,664)
Increase in Accrued Expenses	11,977	30,134
Decrease in Unearned Revenue	(673,134)	(3,082,252)
Total Adjustments	<u>(1,225,700)</u>	<u>(5,192,241)</u>
Net Cash Used By Operating Activities	<u>\$ (969,934)</u>	<u>\$ (3,827,227)</u>



	2021 Projection	2022 Budget	2023 Budget	2024 Budget	2025 Budget
Revenues					
2 Genesee County Contributions	\$233,513	\$233,513	\$233,513	\$233,513	\$233,513
3 Fees - Project Origination	\$1,237,982	\$411,500	\$422,810	\$434,459	\$446,458
4 Fees - Service	\$83,387	\$85,192	\$87,748	\$90,380	\$93,092
5 Bank Interest Income	\$6,954	\$5,500	\$5,665	\$5,835	\$6,010
6 Interest Income on Loans	\$3,313	\$2,744	\$2,826	\$2,911	\$2,998
7 Rent Income	\$25,791	\$21,071	\$21,703	\$22,354	\$23,025
8 CAM Income	\$355	\$360	\$371	\$382	\$394
9 Miscellaneous	\$1,908	\$5,000	\$5,150	\$5,305	\$5,464
10 Economic Development Grant (GGLDC / GCFC)	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000
11 PIF Grant Income	\$122,944	\$143,157	\$178,367	\$192,928	\$221,466
12 CBA	\$448,553	\$448,553	\$448,553	\$448,553	\$448,553
13 BP2 Income	\$11,374	\$27,454	\$39,523	\$59,388	\$66,188
14 Grants	\$15,504,590	\$8,300,000	\$0	\$0	\$0
15 Land Sales	\$2,600,000	\$0	\$0	\$0	\$0
16					
17 Total Revenues	\$20,580,664	\$9,984,044	\$1,746,229	\$1,796,008	\$1,847,160
Expenses					
22 Payroll	\$741,334	\$817,494	\$842,019	\$867,279	\$893,298
23 Benefits	\$280,849	\$328,508	\$337,481	\$346,724	\$356,243
24 Insurance	\$26,868	\$29,650	\$30,540	\$31,456	\$32,399
25 Utilities	\$9,100	\$10,000	\$9,270	\$9,548	\$9,835
26 Telecom / Internet / Phone	\$6,500	\$9,000	\$9,270	\$9,548	\$9,835
27 Rent	\$18,578	\$18,960	\$19,529	\$20,115	\$20,718
28 Postage	\$1,500	\$1,500	\$1,545	\$1,591	\$1,639
29 Dues & Subscriptions	\$95,000	\$97,000	\$99,910	\$102,907	\$105,995
30 Conferences & Meetings	\$23,500	\$34,000	\$35,020	\$36,071	\$37,153
31 Professional Services	\$66,750	\$108,500	\$99,395	\$102,377	\$105,448
32 Travel	\$25,000	\$42,000	\$43,260	\$44,558	\$45,895
33 Marketing	\$96,750	\$96,000	\$98,880	\$101,846	\$104,902
34 Supplies	\$4,000	\$4,000	\$4,120	\$4,244	\$4,371
35 Maintenance & Repair	\$12,200	\$39,500	\$40,685	\$41,906	\$43,163
36 Site Development	\$4,792,848	\$0	\$0	\$0	\$0
37 Miscellaneous	\$1,380	\$0	\$0	\$0	\$0
38 Furniture & Equipment	\$15,000	\$15,000	\$15,450	\$15,914	\$16,391
39 CEO's Discretionary Fund	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
40 Fees	\$26,215	\$0	\$0	\$0	\$0
41 Special District Fees	\$4,597	\$2,690	\$2,771	\$2,854	\$2,939
42 Interest Expense / Unused Fee	\$158,500	\$153,500	\$143,500	\$133,500	\$123,500
43 Closing Costs / Cost of Sales	\$566,460	\$0	\$0	\$0	\$0
44 Development Costs STAMP	\$0	\$8,300,000	\$0	\$0	\$0
45 BP2 Expense	\$0	\$0	\$17,170	\$31,344	\$31,344
46 PIF Expense	\$122,944	\$143,157	\$178,367	\$192,928	\$221,466
47 Total Expenses	\$7,098,873	\$10,253,459	\$2,031,181	\$2,099,708	\$2,169,532
48					
49 Net Loss	\$13,481,791	(\$269,415)	(\$284,952)	(\$303,700)	(\$322,372)
50					
51 Cash from Prev. Yr Rev. Collected in Current Yr	\$0	\$279,645	\$0	\$0	\$0
52 J Rental Land Sale - Cash Carry Over Allocation	\$0	\$139,945	\$0	\$0	\$0
53 NET LOSS w/ Cash Adjustments	\$13,481,791	\$150,175	(\$284,952)	(\$303,700)	(\$322,372)

Notes:
 * 3% increase for most line items 2023-2025, unless shaded.

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October 15, 2021

Board of Directors
Genesee Gateway Local Development Corporation
99 MedTech Drive, Suite 106
Batavia, NY 14020

We are pleased to confirm our understanding of the services we are to provide for the Genesee Gateway Local Development Corporation (GGLDC) the year ended December 31, 2021. We will audit the financial statements of the GGLDC, which comprise of the consolidated statement of net position as of December 31, 2021 and the related consolidated statement of revenue, expenses and changes in net position and consolidated statement of cash flows, including the related notes to the financial statements, as of and for the year then ended. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the GGLDC's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the GGLDC's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's response to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by U.S. generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- Management's Discussion and Analysis.

We have also been engaged to report on supplementary information other than RSI that accompanies GGLDC's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and will provide an opinion on it in relation to the financial statements as a whole:

- Consolidating Statement of Net Position;
- Consolidating Statement of Revenues, Expenses and Changes in Net Position;
- Combining Statement of Net Position; and
- Combining Statement of Revenues, Expenses and Changes in Net Position.

Furthermore, we have been engaged to report on GCLDC's Compliance with the New York State Comptroller's Investment Guidelines for Public Authorities and Section 2925 of the New York State Public Authorities Law. We will issue a separate auditors' report which will provide an opinion on GCLDC's Compliance with Investment Guidelines for Public Authorities.

Audit Objectives

The objective of our audit is the expression of opinions about whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of your accounting records and other procedures we consider necessary to enable us to express such opinion. We will issue a written report upon completion of our audit of the GGLDC's financial statements. Our report will be addressed to the board of directors of the entity. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or may withdraw from this engagement.

We will also provide a report (which does not include an opinion) on internal control related to the financial statements and compliance with the provisions of applicable laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and compliance will each include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control over financial reporting and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or compliance and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that GGLDC is subject to an audit requirement that is not encompassed in the term of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

Audit Procedures – General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the GGLDC. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. Our responsibility as auditors' is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to the inquiry. At the conclusion of our audit, we will also request certain written representations from you about the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures – Internal Control

Our audit will include obtaining an understanding of the GGLDC and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on the internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures – Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of GGLDC's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grant. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Other Services

We will assist in preparing the financial statements and related notes of the GGLDC in conformity with U.S. generally accepted accounting principles based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

Management is responsible for designing, implementing and maintaining effective internal controls, relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error, including evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements and all accompanying information in conformity with U.S. generally accepted accounting principles, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us, and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the GGLDC from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually or in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or illegal acts affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws, regulations, contracts, agreements and grants for taking timely and appropriate steps to remedy any fraud, illegal acts, violations of contracts or grant agreements, or abuse that we report.

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for the presentation of the supplementary information in accordance with GAAP; (2) that you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP, (3) the methods of measurement or presentation have not changed from those used in the prior period (or if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying or providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to financial statements, related notes, and any other non-audit services we provide. You will be required to acknowledge in the management representation letter provided and our assistance with the preparation of the financial statements, and related notes and that you have evaluated the adequacy of our services and have reviewed and approved the results of the services, and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Engagement Administration, Fees and Other

We understand that your employees will prepare all cash, accounts receivable, and other confirmations we request and will locate any documents selected by us for testing. We will provide copies of our reports to the GGLDC; however, management is responsible for distribution of the reports and financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Mostert, Manzanero & Scott, LLP and constitutes confidential information. However, pursuant to authority given by law or regulation, we may be requested to make certain audit documentation available to the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Mostert, Manzanero & Scott, LLP personnel. Furthermore, upon request, we may provide copies of selected audit documentation to these aforementioned parties. These parties may intend, or decide, to distribute the photocopies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the regulator. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

David E. Brownell, CPA is the engagement partner and is responsible for supervising the engagement and signing the report.

Our fees for these services will be based on the actual time spent at our standard hourly rates. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. Based on our preliminary estimates, the fee should approximate \$10,000. If a single audit is required, the fee is estimated to be \$12,000 and we will require you to sign an addendum to the engagement letter that covers items specific to a single audit. This estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

If you intend to publish or otherwise reproduce the financial statements and make reference to our Firm name, you agree to provide us with printer's proofs or masters for our review and approval before printing. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed. It is agreed by Genesee Gateway Local Development Corporation and Mostert, Manzanero & Scott, LLP or any successors in interest that no claim by or on behalf of either party arising out of services rendered pursuant to this agreement shall be initiated more than three years after the date of the audit report or one year after the date of termination of Mostert, Manzanero & Scott, LLP's services.

Genesee Gateway Local Development Corporation
October 15, 2021
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We appreciate the opportunity to be of service to Genesee Gateway Local Development Corporation and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagements as described in this letter, please sign the enclosed copy and return it to us.

Sincerely,

Mostert, Manzanero & Scott LLP

Mostert, Manzanero & Scott, LLP

RESPONSE:

This letter correctly sets forth the understanding of the Genesee Gateway Local Development Corporation.

By: _____
Board Member

Title: _____ Date: _____

By: _____
Management

Title: _____ Date: _____

Mark Masse

GCEDC Audit & Finance Committee

4b. Agricultural Farm Land Lease Agreement for 2022

Discussion: See attached lease agreement and lessors.

Fund commitment: None.

Committee action request: Recommend approval to the full Board of the 2022 agricultural land lease agreement.

FARM LEASE AGREEMENT

THIS FARM LEASE AGREEMENT ("Lease") is made as of this ___ day of _____, 20__ by and between Genesee County Industrial Development Agency d/b/a Genesee County Economic Development Center, a New York public benefit corporation, having an office at 99 MedTech Drive, Batavia, New York 14020-3141 ("Lessor"), and _____ whose address is _____ ("Lessee").

WITNESSETH:

WHEREAS, Lessor is the fee simple owner of a certain parcel of real property commonly known as __ __, consisting of approximately _____ acres of land, as more particularly described as S.B.L. No. _____ in the Town of LeRoy, County of Genesee, and State of New York (the "Property"); and

WHEREAS, Lessor desires to lease to Lessee a portion of the Property being approximately _____ acres of vacant land as shown on Exhibit A attached hereto (the "Premises"), and Lessee desires to lease the Premises from Lessor for the purpose of farming the Premises.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties intending to be legally bound hereby covenant and agree as follows:

1. Demise. In consideration of the rents reserved hereunder and the terms and conditions of this Lease, Lessor does hereby demise and let unto Lessee, and Lessee does hereby take and lease from Lessor, the Premises. Lessee agrees to accept the Premises in their "as is" condition and "with all faults" existing as of the date hereof. Lessee agrees that this Lease has been entered into after full investigation of the Premises and without any reliance upon any statement or representation by Lessor or any other person. Nothing in this Lease shall confer upon Lessee any rights to minerals or timber on the Premises.

2. Term. The term of this Lease shall be one (1) year, commencing on April 1, 2022 and ending on December 31, 2022 (the "Term"), provided, however, that either party may cancel this Lease effective as of the last day of a Lease Year provided that written notice of termination is given by such party to the other not later than thirty (30) days prior to such effective date of termination. For purposes of this Lease a "Lease Year" shall be defined as the twelve month period between January 1 and December 31 of a given year. Notwithstanding the foregoing, Lessor may, at any time during the Term, terminate this Lease as to the entire Premises or as to any portion thereof upon two (2) weeks written notice to Lessee. In such event, Lessor shall reimburse Lessee for all documented, out-of-pocket expenses Lessee has incurred during the Term in connection with the planting of any crop on the Premises, or on the portion of the Premises with regard to which this Lease is so terminated.

3. Rent. As consideration for this Lease, Lessee agrees to pay to Lessor annual rent in the amount of \$__ per acre (or \$__ for the entire Premises) for each Lease Year of the Term

("Rent"). Rent shall be due and payable to Lessor in two installments, as follows: Fifty (50%) percent of the Rent shall be due and payable by June 1 of each Lease Year and the remaining fifty (50%) percent shall be due and payable by December 1 of each Lease Year. The Rent shall be a net rent and Lessor shall not be responsible for all expenses related to the farming of the Premises. Lessee shall be responsible for, and shall pay in a timely manner, any and all costs and expenses related to Lessee's farming of the Premises, including, without limitation, the costs and expenses for any equipment and machinery required to plow, plant, tend to and harvest the Premises, fertilizers, pesticides, and herbicides, water for irrigation, labor, taxes and insurance.

4. Permitted Use. Lessee shall use the Premises only for planting and harvesting of crops, and for no other purpose. The nature of the crops to be grown shall be approved in advance by Lessor, and no further planting may take place on the Premises. Lessee agrees to conduct such farming activities in accordance with good agricultural practices and in accordance with such standards as are generally accepted in the farming industry in Genesee County, New York. Lessee shall not (a) erect any permanent structures or improvements on the Premises, (b) store any equipment, machinery or supplies on the Premises, (c) drill, install or modify any wells, irrigation systems or drainage systems on the Premises, (d) materially alter the grades of the Premises so as to affect the storm water drainage on and off of the Premises, or (e) burn or permit the burning of any items on the Premises. Lessee shall monitor and maintain the Premises so as to prevent the development of any new wetlands. Lessee agrees to preserve established water courses, tile drains, tile outlets, diversion ditches, terraces and grass waterways and to refrain from any operation that will injure them. Lessee shall neither cut live trees nor market timber, fence posts or firewood on the Premises, nor will Lessee have any above or below ground mineral or gas or oil rights on the Premises.

5. Hazardous or Offensive Uses. Lessee may not conduct any dangerous, hazardous, noxious or offensive uses on the Premises and shall obtain, at its sole cost and expense, all governmental permits, licenses and approvals required for Lessee's use and occupancy of the Premises. Lessee shall comply with all environmental laws which include all federal, state, local and municipal laws, statutes, ordinances, rules, regulations, orders, decrees or requirements relating to or imposing liability or standards of conduct concerning the use, storage, treatment, transportation, manufacture, refinement, handling, production and/or disposal of hazardous materials, or otherwise pertaining to environmental protection, as now or at any time hereafter in effect, including but not limited to the Comprehensive Environmental Response, Compensation and Liability Act, 41 U.S.C. Section 9601; the Super Fund Amendment and Reauthorization Act of 1986; the Emergency Planning and Community Right-to-Know Act, Public Law 99-499, 100 Stat.1613; the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901; the Occupational Safety and Health Act, 29, U.S.C. Section 655 and Section 657; the Clean Air Act, 42 U.S.C. Section 7401; the Clean Water Act, 33 U.S.C. Section 1251; and the New York Environmental Conservation Law; together with all amendments thereto, substitutions therefore, rules and regulations promulgated thereunder and all amendments to and substitutions for the rules and regulations.

Lessee shall not store, dump or dispose on the Premises any gasoline, motor oils or other hazardous substances. Lessee shall not at any time cause or permit any contamination of the Premises, including any ponds, stormwater or groundwater. Lessee shall not use any fertilizers (other than as specified on Exhibit B attached hereto), pesticides (other than as

specified on Exhibit B attached hereto) or herbicides, and shall use such permitted fertilizers and pesticides only in strict accordance with the manufacturer's instructions and all applicable laws, rules, regulations and orders. Lessee shall maintain accurate records, including the type, amount, and dates, of all fertilizers, pesticides, and herbicides used on the Premises and shall immediately notify Lessor of any violation, accidental or otherwise, of this provision. Lessee shall be solely responsible, at its sole cost and expense, for the remediation of any contamination caused or permitted by Lessee on the Premises. This provision shall survive the expiration or termination of this Lease.

6. Indemnification and Hold Harmless. Lessee shall defend, indemnify and hold harmless Lessor, its officers, directors, agents, employees and successors and assigns, from and against all liability and claims of liability for injury or damage to person or property from any cause on or about the Premises, including, without limitation, all costs, expenses, claims, fines, penalties, judgments, and/or awards arising out of or related thereto. This provision shall survive the expiration or termination of this Lease.

7. Insurance. Lessee shall maintain at all times during the term of this Lease, a comprehensive policy of general liability insurance naming Lessor and its designated successors and assigns as additional insureds against liability occasioned by any occurrence on or about the Premises or any appurtenances thereto. Such policy shall provide a minimum coverage of \$1,000,000 with respect to any one person or accident. Lessee shall also maintain workmen's compensation insurance and vehicle liability insurance with respect to all personnel and vehicles brought by Lessee on the Premises. Lessee shall provide Lessor with a certificate for each such policy, which shall require that all additional insureds named in such certificate be given thirty (30) days' written notice before any material change to or cancellation of such policy.

8. Assumption of Risk. Lessee agrees that it shall occupy and use the Premises at its own risk and assumes the sole responsibility and liability to all persons and authorities related to Lessee's possession, occupancy and use of the Premises. Lessor shall not have any responsibility or liability for any loss of or damage to any person or personal property of Lessee or any other person whatsoever as a result of Lessee's use or occupancy of the Premises. Lessor shall not have any obligation to make any improvements to the Premises or perform any services with respect to the Premises.

9. Liens. Lessee shall not suffer or permit any mechanic's or materialman's lien to be filed against the Premises (or any part thereof including the crops) or Lessor's interest therein by reason or any work, labor, services, or materials supplied or claimed to have been supplied to Lessee. If any such lien shall at any time be filed against the Premises (or any part thereof including the crops) or Lessor's interest therein, Lessee shall immediately notify Lessor thereof, and Lessee shall cause the same to be discharged of record, bonded or otherwise secured to Lessor's satisfaction within fifteen (15) days after the date of Lessee's knowledge of the same. If Lessee shall fail to discharge such lien within the 15-day period, then, in addition to any other rights or remedies Lessor may have, Lessor may, but shall not be obligated to, discharge such lien, by paying, procuring a discharge by a deposit in court, or by bonding the same. In any such event, Lessor shall be entitled, if Lessor so elects, to compel the prosecution of an action for the foreclosure of such lien by the lienor, and to pay the amount of such judgment, if any, in favor of the lienor with interest, costs and allowances. Notwithstanding the above, Lessee shall not be

required to pay or discharge any such lien so long as Lessee, in good faith, proceeds to contest the same by appropriate proceedings and gives Lessor written notice thereof with a surety bond satisfactory to Lessor in an amount sufficient to pay such contested lien, including all interest and costs related thereto.

10. No Representations or Warranties. It is understood and agreed that this Lease contains all of the covenants, agreements, terms, provisions and conditions relating to the leasing of the Premises, and that Lessor has not made and is not making, and Lessee has not relied upon any representations or warranties, except as expressly stated in this Lease.

11. Events of Default. Lessee shall be in default of this Lease if Lessee (a) fails to pay Rent or make any other payment due hereunder within ten (10) days after the date upon which it is due or (b) fails to perform or comply with any of the terms, covenants, agreements or conditions of this Lease, and such failure continues for more than thirty (30) days after written notice thereof from Lessor; provided, however, Lessee shall not be considered to be in default of this Lease if such default cannot be cured within thirty (30) days and Lessee immediately commences and diligently proceeds to cure such default and completes such cure within sixty (60) days after the event of default. Upon Lessee default, Lessor may, in addition to all other remedies available at law, elect to terminate this Lease by written notice to Lessee, in which event Lessee shall immediately surrender the Premises, including all crops thereon, and Lessor shall thereafter have the right to harvest, sell or otherwise dispose of such crops without any obligation to account to Lessee for the value thereof.

12. Assignment. Lessee shall not sublet, assign, pledge or otherwise encumber its interest in the Premises or any part thereof, including the crops, without the prior written consent of Lessor, which consent may be withheld by Lessor in its sole and absolute discretion. Lessor may freely assign this Agreement.

13. Inspection. Lessor reserves the right to enter upon and inspect the Premises in order to determine whether Lessee is in compliance with the terms and conditions of this Lease; provided, however, such entry and inspections do not unreasonably interfere with Lessee's use of the Premises.

14. Interference. Lessee will not interfere with the use, enjoyment and activity on Lessor's adjacent premises, and will not cause or permit any noise, vibration, odor, fumes or nuisance other than those typically related to the permitted use.

15. Surrender of the Premises. Upon the expiration or termination of this Lease, Lessee shall deliver the Premises to Lessor in substantially the same condition as existed at the time of the commencement of this Lease. In addition, upon Lessor's request and notwithstanding the covenant to use good agricultural practices contained in Paragraph 4 herein, Lessee shall, at its sole cost and expense, plow under the Premises and leave the Premises in a reasonably level condition.

16. Warranties. The parties each acknowledge and represent that it is duly organized, validly existing and in good standing and has the right, power and authority to enter into this Lease and bind itself through the party set forth as signatory for the party below.

17. **Severability.** Any provision or provisions of this Lease which shall prove to be invalid, void or illegal, shall in no way affect, impair or invalidate any other provision hereof, and the remaining provisions hereof shall nevertheless remain in full force and effect.

18. **Waiver.** No waiver of any default hereunder shall be implied from any inaction by either party on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver, and then only for the time and to the extent therein stated. No delay or omission by either party hereto to exercise any right or power accruing upon any noncompliance or default by the other party with respect to any of the terms hereof, or otherwise accruing hereunder, shall impair any such right or power or be construed to be a waiver thereof. One or more waivers of any breach of any covenant, term or condition of this Lease shall not be construed as a waiver of any subsequent breach of the same covenant, term or condition. The consent or approval by a party to or of any act by the other party requiring the former party's consent or approval, shall not be deemed to waive or render unnecessary such former party's consent or approval to or of any subsequent similar acts by the other party.

19. **Successors and Assigns.** The covenants, conditions and agreements contained in this Lease shall bind and inure to the benefit of the parties and their respective heirs, successors and permitted assigns.

20. **No Partnership.** Nothing contained in this Lease shall be deemed or construed by the parties hereto or by any third person to create the relationship of principal and agent or of partnership or of joint venture or of any association between Lessor and Lessee, and neither the method of computation of rent nor any other provision contained in this Lease nor any acts of the parties hereto shall be deemed to create any relationship between Lessor and Lessee other than the relationship of landlord and tenant.

21. **Amendments.** This Lease contains the entire agreement between the parties and shall not be modified except by a written agreement signed by the parties.

22. **Headings.** The headings in this instrument are for convenience only and in no way define, limit or describe the scope of this Lease or the intent of the provisions hereof.

23. **Notice.** All notices, demands and requests required under this Lease shall be in writing, and shall be deemed properly given if served personally, or if sent by the United States registered mail or certified mail, postage prepaid, addressed to the party at the address listed in the first paragraph of this Lease.

24. **Right to Defend.** Lessor shall have the right, but not the obligation, to prosecute or defend, in its own name or in Lessee's name, any actions or proceedings appropriate to the protection of its title to and Lessee's interest in the Premises. Whenever requested by Lessor, Lessee shall give Lessor all reasonable aid in any such action or proceeding.

25. **Confession of Judgment for Possession.** Upon the expiration or termination of this Lease, and at any time when an event of default hereunder has occurred, Lessee irrevocably authorizes and empowers the clerk or the attorney of any court of record to appear for and confess judgment against Lessee for possession of the Premises. The authority and power to

appear and confess a judgment against Lessee shall not be exhausted by the initial exercise thereof and may be confessed as often as any event of default hereunder occurs. Such authority may be exercised during or after the expiration of the Term of this Lease. If such proceeding is terminated and the possession of the Premises remains in or is restored to Lessee, Lessor shall have the right for the same default or upon subsequent defaults or upon the termination of this Lease under any of the terms of this Lease to bring one or more further actions as hereinbefore set forth to recover possession of the Premises and confess judgment for the recovery of possession of the Premises as herein provided.

26. Governing Law. This Lease and the provisions hereof shall be interpreted under the laws of the State of New York.

IN WITNESS WHEREOF, the parties have caused this Lease to be executed as of the day and year first written above.

LESSOR:

Genesee County Economic Development Center, d/b/a Genesee County Economic Development Center, a New York public benefit corporation

By _____
Print Name: _____
Title: _____

LESSEE:

Print Name: _____
Title: _____

EXHIBIT A

PREMISES

EXHIBIT B

PERMITTED FERTILIZERS AND PESTICIDES

2022 Land Lease Rates
Agricultural leases

Genesee County Economic Development Center

Lessee	Location	Term	Rate / acre
Charles Augello	AppleTree Acres	One year	\$ 70.00
Stein Farms	Oatka Hills	One year	\$ 70.00
Englerth Farms	Leroy	One year	\$ 70.00
Norm Geiss	STAMP	One year	\$ 70.00
Del Mar Farms	STAMP	One year	\$ 70.00
Lamb Farms	STAMP	One year	\$ 75.00
Lamb Farms	STAMP	One year	\$ 3.98
Call Farms	STAMP	One year	\$ 3.35