

**Genesee County Economic Development Center**

**Meeting Agenda**

Thursday, December 16, 2021

Location: Electronically

**PAGE #**

<b>1.0</b>	<b>Call to Order</b>	<b>4:00 pm</b>
	1.1 <b>Enter Executive Session</b>	<b>4:00 pm</b>
	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.	
	1.2 <b>Enter Public Session</b>	<b>4:15pm</b>
<b>2.0</b>	<b>Chairperson's Report &amp; Activities</b>	<b>4:15pm</b>
	2.1 Upcoming Meetings:	
	<b>Next Scheduled Board Meeting: Thursday, January 13<sup>th</sup> at 4 p.m.</b>	
	Audit & Finance Committee Meeting: Tuesday, January 11 <sup>th</sup> at 8:30 a.m.	
	STAMP Committee Meeting: Wednesday, January 12 <sup>th</sup> at 8:00 a.m.	
	Employment & Comp Committee Meeting: Thursday, January 13 <sup>th</sup> at 3 p.m.	
	Final 2022 Meeting Schedule	
	2.2 Agenda Additions / Deletions / Other Business <b>**Vote</b>	
<b>3.0</b>	<b>Report of Management –</b>	<b>4:20pm</b>
	3.1 Mega Properties – Mortgage Tax Only – Final Resolution <b>**Vote</b> – C. Suozzi	
<b>4.0</b>	<b>Audit &amp; Finance Committee – M. Gray</b>	<b>4:30pm</b>
	4.1 Nothing at this time.	
<b>5.0</b>	<b>Governance &amp; Nominating Committee – C. Yunker</b>	<b>4:30pm</b>
	5.1 Nothing at this time.	
<b>6.0</b>	<b>STAMP Committee – P. Zeliff</b>	<b>4:30pm</b>
	6.1 Nothing at this time.	
<b>7.0</b>	<b>Employment &amp; Compensation Committee – T. Bender</b>	<b>4:30pm</b>
	7.1 CEO Contract Review <b>**Vote</b>	
<b>8.0</b>	<b>Housing Committee – P. Battaglia</b>	<b>4:40pm</b>
	8.1 Nothing at this time.	
<b>9.0</b>	<b>Other Business</b>	<b>4:40pm</b>
	9.1 Nothing at this time.	
<b>10.0</b>	<b>Adjournment</b>	<b>4:40pm</b>

**2-3**

**4-21**

## GCEDC/GGLDC 2022 Meeting Schedule

### JANUARY

Tuesday, January 11, 2022	GCEDC/GGLDC Audit & Finance Committee	8:30am
Wednesday, January 12, 2022	GCEDC STAMP Committee	8:00am
Thursday, January 13, 2022	GCEDC Employment & Compensation Committee	3pm
<b>Thursday, January 13, 2022</b>	<b>GCEDC/GGLDC Board Meeting [Board Photos]</b>	<b>4pm</b>

### FEBRUARY

Tuesday, February 1, 2022	GCEDC/GGLDC Audit & Finance Committee	8:30am
Wednesday, February 2, 2022	GCEDC STAMP Committee	8:00am
Thursday, February 3, 2022	GCEDC/GGLDC Governance & Nominating Committee	3pm
<b>Thursday, February 3, 2022</b>	<b>GCEDC/GGLDC Board Meeting</b>	<b>4pm</b>

### MARCH

Tuesday, March 1, 2022	GCEDC/GGLDC Audit & Finance Committee	8:30am
Wednesday, March 2, 2022	GCEDC STAMP Committee	8:00am
Thursday, March 3, 2022	GCEDC/GGLDC Governance & Nominating Committee	3pm
<b>Thursday, March 3, 2022</b>	<b>GCEDC/GGLDC Board Meeting</b>	<b>4pm</b>
Wednesday, March 23, 2022	GCEDC STAMP Committee	8:00am – Adj. per below
Thursday, March 24, 2022	GCEDC/GGLDC Audit & Finance Committee	3pm – Audit & PARIS 3/31 deadline
<b>Thursday, March 24, 2022</b>	<b>GCEDC/GGLDC Board Meeting</b>	<b>4pm – Audit &amp; PARIS 3/31 deadline</b>
Friday, March 25, 2022	Annual Meeting - Tentative	12pm

### APRIL

No Meetings Scheduled

### MAY

Tuesday, May 3, 2022	GCEDC/GGLDC Audit & Finance Committee	8:30am
Wednesday, May 4, 2022	GCEDC STAMP Committee	8:00am
Thursday, May 5, 2022	GCEDC/GGLDC Governance & Nominating Committee	3pm
<b>Thursday, May 5, 2022</b>	<b>GCEDC/GGLDC Board Meeting</b>	<b>4pm</b>
Tuesday, May 31, 2022	GCEDC/GGLDC Audit & Finance Committee	8:30am

### JUNE

Wednesday, June 1, 2022	GCEDC STAMP Committee	8:00am
Thursday, June 2, 2022	GCEDC/GGLDC Governance & Nominating Committee	3pm
<b>Thursday, June 2, 2022</b>	<b>GCEDC/GGLDC Board Meeting</b>	<b>4pm</b>

### JULY

Tuesday, July 5, 2022	GCEDC/GGLDC Audit & Finance Committee	8:30am
Wednesday, July 6, 2022	GCEDC STAMP Committee	8:00am
<b>Thursday, July 7, 2022</b>	<b>GCEDC/GGLDC Board Meeting</b>	<b>4pm</b>

### AUGUST

Tuesday, August 2, 2022	GCEDC/GGLDC Audit & Finance Committee	8:30am – GCEDC Budget Workshop
Wednesday, August 3, 2022	GCEDC STAMP Committee	8:00am

<b>Thursday, August 4, 2022</b>	<b>GCEDC/GGLDC Board Meeting</b>	<b>4pm</b> - Glow Corporate Cup
Tuesday, August 30, 2022	GCEDC/GGLDC Audit & Finance Committee	8:30am – GCEDC Draft Budget Review
Wednesday, August 31, 2022	GCEDC STAMP Committee	8:00am

**SEPTEMBER**

<b>Thursday, September 1, 2022</b>	<b>GCEDC/GGLDC Board Meeting</b>	<b>4pm</b>
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**OCTOBER**

Tuesday, October 4, 2022	GCEDC/GGLDC Audit & Finance Committee	8:30am – GGLDC Budget Workshop
Wednesday, October 5, 2022	GCEDC STAMP Committee	8:00am
<b>Thursday, October 6, 2022</b>	<b>GCEDC/GGLDC Board Meeting</b>	<b>4pm</b>
Tuesday, October 25, 2022	GCEDC/GGLDC Audit & Finance Committee	8:30am – GGLDC Draft Budget Review
Wednesday, October 26, 2022	GCEDC STAMP Committee	8:00am
<b>Thursday, October 27, 2022</b>	<b>GCEDC/GGLDC Board Meeting</b>	<b>4pm</b> – 11/2 Budget Deadline

**NOVEMBER**

Tuesday, November 29, 2022	GCEDC/GGLDC Audit & Finance Committee	8:30am
Wednesday, November 30, 2022	GCEDC STAMP Committee	8:00am

**DECEMBER**

Thursday, December 1, 2022	GCEDC Employment & Compensation Committee	3pm
<b>Thursday, December 1, 2022</b>	<b>GCEDC/GGLDC Board Meeting</b>	<b>4pm</b>
Thursday, December 15, 2022	GCEDC Employment & Compensation Committee	3pm
<b>Thursday, December 15, 2022</b>	<b>GCEDC/GGLDC Board Meeting</b>	<b>4pm</b>

*MMS*  
*12/8/21*

**Customer Information**

Potential Customer:	Mega Properties, Inc	Opportunity Type:	Attraction
Proj. St. Address:	4320 Federal Drive	Opportunity Product:	Property Sales & Mortgage Recording Taxes Only
City/Town/Village:	//Batavia	Type of Project:	Attraction
Proj. Description:	2021 Aludyne building	New Jobs:	11 ✓
Total Capital Investment:	\$8,500,000	Retained Jobs:	9 ✓
Incentive Amount:	\$603,847	School District:	Batavia
Benefited Amount:	\$8,500,000	PILOT Applicable:	

**Project Information**

Organization:	GCEDC		
Opportunity Source:	Commercial Real Estate Broker	Date of Public Hearing:	tbd
Initial Acceptance Date:	Inducement Date:		
Opportunity Summary:	<p>Mega Properties, Inc. is proposing to purchase the former Aludyne (Chassix) building (147,000 sq ft) on Federal Drive in the town of Batavia.                  The project is investing \$8.5 million and is pledging to create 11 FTEs with an average salary range of \$30,000-\$80,000 annually plus benefits.                  The project is seeking assistance from the GCEDC in the form of a property tax abatement (\$483,847), a sales tax abatement (\$60,000), and a mortgage tax exemption (\$60,000).</p>		
Economic Impact:	For every \$1 of public benefit, the company is investing \$7 into the local economy		

**Project Detail (Total Capital Investment)**

Building Cost (Construction):	\$0	Capital Improvements:	\$0
Equipment (non-taxable):	\$0	Equipment (Taxable) / Other Proj Investment:	\$750,000 ✓
Land Cost (Real Estate):	\$7,750,000 ✓		
Total Capital Investment:	\$8,500,000 ✓		

**Estimated Benefits Provided**

Sales Tax Exempt:	\$60,000 ✓	Tax Exempt Bond:	\$0
Mortgage Tax Exempt:	\$60,000 ✓	Land Sale Subsidy:	\$0
Property Tax Exempt:	\$483,847 ✓		
Total Estimated Tax Incentives Provided:	\$603,847		
Total Amount Finance:	\$6,000,000		
Mortgage Amount:	\$6,000,000	ESD-JDA:	
GCEDC RLF:	\$0	Other Name:	
City of Batavia:	\$0	Other Amount:	\$0
Chamber of Commerce:			
Total Amount Finance:	\$6,000,000		





# Client Company Investment Project Financial Assistance PROPOSAL

*Figures on this Worksheet are estimates only and are subject to change*

**Project Profile:**

**Company:** \_\_\_\_\_

**Project Description:** \_\_\_\_\_

**Project Cost:** \$ \_\_\_\_\_

**Project Cost subject to Sales Tax:** \$ \_\_\_\_\_

**Project Cost to be Financed via Mortgage:** \$ \_\_\_\_\_

**Estimated Assessed value of Real Property/Building upon completion\*:** \$ \_\_\_\_\_

**Jobs Created: next 3 years:** \_\_\_\_\_

**Jobs Retained: next 3 years:** \_\_\_\_\_

**Date:** 11/8/21

**Start Date:** \_\_\_\_\_

**Inputs:** Mega Properties - Aludyme

**building cost:** \$ 1,900,000

**non-rtg equipment:** \$ 750,000

**60% bldg cost + non mtg equipt:** \$ 2,360,000

**sq ft:** 0

**Assessed \$/sq/ft:** 40.00

**Applicable GCEDC Products:**

**Financial Assistance: Cost Reduction Through Tax Savings:**

**Sale/Leaseback (SLB):**

	1 Year View	3 Year View	Project Lifetime	current Proposed Increase
Sales Tax Exemption (Savings):	\$ 60,000	\$ 60,000	\$ 60,000	3,520,000
Mortgage Tax Exemption (Savings):	\$ 60,000	\$ 60,000	\$ 60,000	5,880,000
Real Property Tax Abatement (PILLOT):	\$ 60,000	\$ 60,000	\$ 60,000	2,360,000
Average Abatement (savings %) over project life:	40%		40%	
PILLOT Term in years:	10			

	1 Year View	3 Year View	Project Lifetime
Gross Property Tax Costs:	\$ 80,641	\$ 241,924	\$ -
Payment Schedule (% Real Property Taxes Paid):			60%
Net Required Property Tax payments per PILLOT:	\$ 80,641	\$ 241,924	\$ -
PILLOT Real Property Tax Savings (Next taxable year):	\$ 200,641	\$ 361,924	\$ 483,847
Total Tax Savings via Sale/Leaseback (SLB):	\$ 200,641	\$ 361,924	\$ 603,847

**Financing: Cost Reduction via low cost financing (below prime rate):**

**Revolving Loan Fund (RLF):**

	Financed	Term in mo	RLF APR	Prime + 1%
Loan Factors:				
Interest Rate Savings:	\$ -			\$ -
Gross Cost Savings via GCEDC programs:	\$ 200,641		\$ 361,924	\$ 603,847

**Participation Fees (Costs):**

GCEDC Application Fee (non-refundable): \$ 250

GCEDC Project Fee (% Total Project Cost): \$ 106,250

Legal Fees: SLB (Contract Development, Documentation, Filing fees): \$ 2,500

Legal Fees: RLF (Contract Development, Documentation, Filing fees): \$ 119,000

Total Participation Fees: \$ 119,000

**Summary:**

Total Costs Savings / Benefits via GCEDC programs(after participation f	\$ 81,641	\$ 242,924	\$ 484,847	National Grid	Total Savings
Total Benefits as % Total Project Cost:	1%	3%	6%		\$ 484,847
Return on Investment (ROI) = Net Savings / Participation Fees:	69%	204%	407%		

**NOTE: PILOT REAL PROPERTY TAX ABATEMENT EFFECTIVE DATE DEPENDS UPON DATE OF SALE LEASE BACK (SLB) CLOSING COMPARED TO MUNICIPALITIES TAXABLE STATUS DATE**

1) IF SLB CLOSES PRIOR TO TAXABLE STATUS DATE - PILOT WILL BE EFFECTED IN FOLLOWING TAXABLE YEAR AND CURRENT YEAR TAX BILLS WILL BE ADJUSTED ACCORDINGLY.

2) IF SLB CLOSING IS SUBSEQUENT TO MUNICIPALITIES TAXABLE STATUS DATE - THERE WILL BE A 12 MONTH DELAY IN PILOT IMPLEMENTATION.

**PLEASE PLAN CASH FLOW NEEDS ACCORDINGLY!**

**Gross Property Tax Per Year \$ 80,641**

Year of Exemption	% of Paid Taxes	Net Savings	Municipalities Tax to be Paid	Total
1	20%	\$64,513	\$ 16,128	\$80,641
2	20%	\$64,513	\$ 16,128	\$80,641
3	20%	\$64,513	\$ 16,128	\$80,641
4	30%	\$56,449	\$ 24,192	\$80,641
5	30%	\$56,449	\$ 24,192	\$80,641
6	30%	\$56,449	\$ 24,192	\$80,641
7	50%	\$40,321	\$ 40,321	\$80,641
8	50%	\$40,321	\$ 40,321	\$80,641
9	70%	\$24,192	\$ 56,449	\$80,641
10	80%	\$16,128	\$ 64,513	\$80,641
<b>Total</b>	<b>40%</b>	<b>\$483,847</b>	<b>\$322,565</b>	<b>\$806,412</b>

1/1/87

## Cost-Benefit Analysis for Mega Properties, Inc

Prepared by Genesee County Economic Development Center using InformAnalytics

# Executive Summary

**INVESTOR**  
Mega Properties, Inc

**TOTAL JOBS**  
11 Ongoing;  
0 Temporary

**TOTAL INVESTED**  
\$8.5 Million

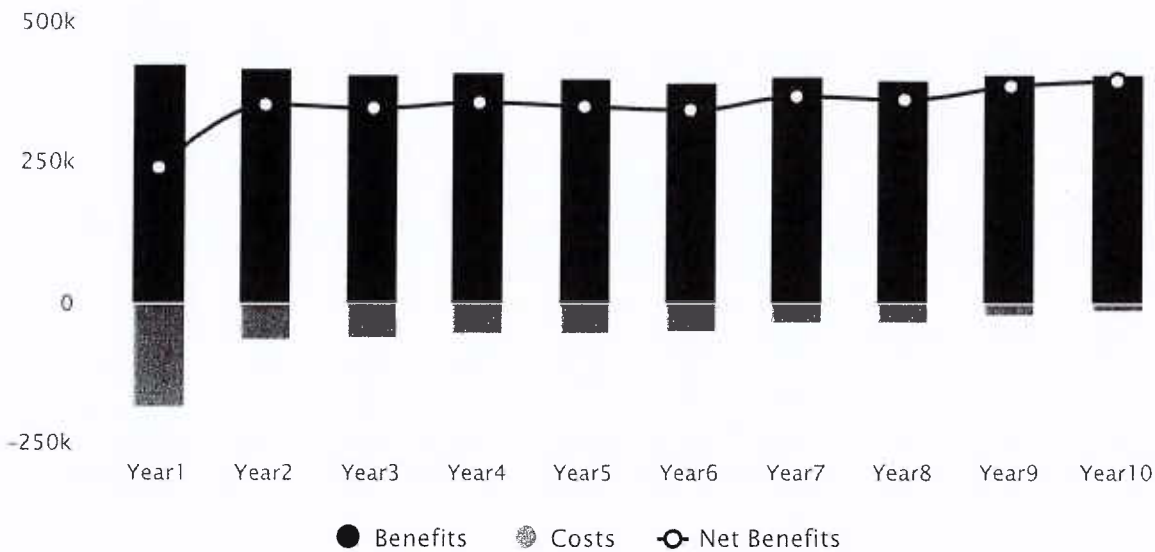
**LOCATION**  
4320 Federal Drive  
Batavia, NY 14020

**TIMELINE**  
10 Years

FIGURE 1

Discounted\* Net Benefits for Mega Properties, Inc by Year

Total Net Benefits: \$3,492,000



Discounted at 2%

FIGURE 2

Total Jobs



FIGURE 3

Total Payroll





# Proposed Investment

Mega Properties, Inc proposes to invest \$8.5 million at 4320 Federal Drive Batavia, NY 14020 over 10 years. Genesee County Economic Development Center staff summarize the proposed with the following: The company is purchasing an existing 147,000 sq ft in the town of Batavia.

TABLE 1

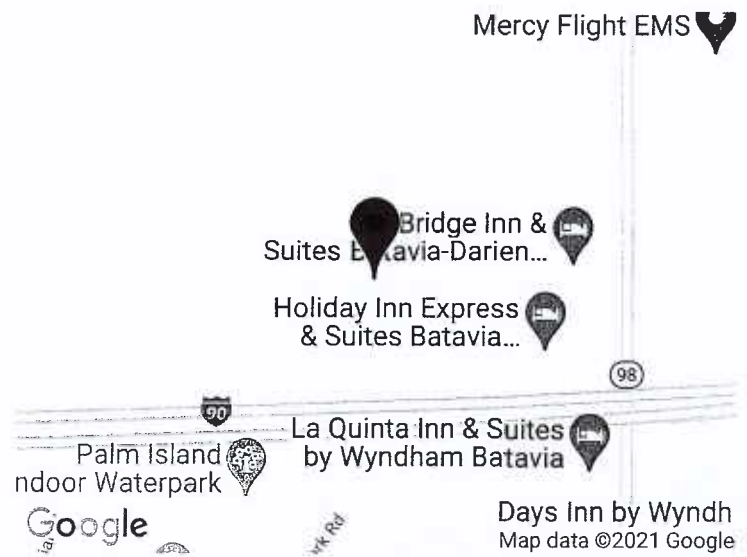
## Proposed Investments

Description	Amount
<b>OTHER SPENDING</b>	
Building purchase	\$7,750,000
Other equipment	\$750,000
<b>Total Investments</b>	<b>\$8,500,000</b>
Discounted Total (2%)	\$8,500,000

May not sum to total due to rounding.

FIGURE 4

## Location of Investment



# Cost-Benefit Analysis

A cost-benefit analysis of this proposed investment was conducted using InformAnalytics, an economic impact model developed by CGR. The report estimates the impact that a potential project will have on the local economy based on information provided by Genesee County Economic Development Center. The report calculates the costs and benefits for specified local taxing districts over the first 10 years, with future returns discounted at a 2% rate.

TABLE 2

## Estimated Costs or Incentives

Genesee County Economic Development Center is considering the following incentive package for Mega Properties, Inc.

Description	Nominal Value	Discounted Value*
Property Tax Exemption	\$495,000	\$461,000
Sales Tax Exemption	\$59,000	\$59,000
Mortgage Recording Tax Exemption	\$60,000	\$60,000
<b>Total Costs</b>	<b>\$614,000</b>	<b>\$581,000</b>

**May not sum to total due to rounding.**

\* Discounted at 2%

**T3** TABLE 3

**State & Regional Impact (Life of Project)**

The following table estimates the total benefits from the project over its lifetime.

Description	Direct	Spillover	Total
<b>REGIONAL BENEFITS</b>	<b>\$4,228,000</b>	<b>\$0</b>	<b>\$4,228,000</b>
To Private Individuals	\$3,850,000	\$0	\$3,850,000
Ongoing Payroll	\$3,850,000	\$0	\$3,850,000
To the Public	\$373,000	\$0	\$373,000
Property Tax Revenue	\$330,000	N/A	\$330,000
Ongoing Sales Tax Revenue	\$48,000	\$0	\$48,000
<b>STATE BENEFITS</b>	<b>\$187,000</b>	<b>\$0</b>	<b>\$187,000</b>
To the Public	\$187,000	\$0	\$187,000
Ongoing Income Tax Revenue	\$138,000	\$0	\$138,000
Ongoing Sales Tax Revenue	\$49,000	\$0	\$49,000
<b>Total Benefits to State &amp; Region</b>	<b>\$4,415,000</b>	<b>\$0</b>	<b>\$4,415,000</b>
Discounted Total Benefits (2%)	\$4,073,000	\$0	\$4,073,000

May not sum to total due to rounding.



TABLE 4

**Benefit to Cost Ratio**

The following benefit to cost ratios were calculated using the discounted totals.

Description	Benefit*	Cost*	Ratio
Region	\$3,901,000	\$521,000	7:1
State	\$172,000	\$60,000	3:1
<b>Grand Total</b>	<b>\$4,073,000</b>	<b>\$581,000</b>	<b>7:1</b>

**May not sum to total due to rounding.**

\* Discounted at 2%

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CGR has exercised reasonable professional care and diligence in the production and design of the InformAnalytics™ tool. However, the data used is provided by users. InformAnalytics does not independently verify, validate or audit the data supplied by users. CGR makes no representations or warranties with respect to the accuracy of the data supplied by users.

Met  
11/18/21



Project Name: Mega Properties, Inc

Board Meeting Date: December 2, 2021

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

### PROJECT DESCRIPTION:

Mega Properties, Inc. is proposing to purchase the former Aludyne (Chassix) building (147,000 sq ft) on Federal Drive in the town of Batavia.

The project is investing \$8.5 million and is pledging to create 11 FTEs with an average salary range of \$30,000-\$80,000 annually plus benefits.

The project is seeking assistance from the GCEDC in the form of a property tax abatement (\$483,847), a sales tax abatement (\$60,000), and a mortgage tax exemption (\$60,000).

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

**Project details:** The project will retain 9 FTEs and create 11 FTEs with an average salary range \$30,000-\$80,000 annually + benefits.

### Board Discussion:

**Board Concurrence:** YES NO If no, state justification:

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

**Project details:** The project is purchasing a recently vacated building and will enhance long term tax base with an investment of \$8,500,000.

### Board Discussion:

**Board Concurrence:** YES NO If no, state justification:

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

**Project details:** N/A

### Board Discussion:

**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 the company is investing \$ 7 into the local economy

**Board Discussion:**

**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:** N/A

**Board Discussion:**

**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 purchase the facility the first quarter of 2022.

**Board Discussion:**

**Board Concurrence:** YES NO If no, state justification:

**FINAL RESOLUTION**  
*(Mega Properties, Inc. Project)*

A regular meeting of the Genesee County Industrial Development Agency d/b/a Genesee County Economic Development Center was convened on Thursday, December 16, 2021.

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

Resolution No. 12/2021 - \_\_\_\_\_

RESOLUTION OF THE GENESEE COUNTY INDUSTRIAL DEVELOPMENT AGENCY D/B/A GENESEE COUNTY ECONOMIC DEVELOPMENT CENTER (THE "AGENCY") (i) MAKING A DETERMINATION WITH RESPECT TO THE PROJECT PURSUANT TO SEQRA (AS DEFINED BELOW); (ii) APPOINTING THE COMPANY AS AGENT OF THE AGENCY; (iii) 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) AN EXEMPTION FROM MORTGAGE RECORDING TAXES IMPOSED ON THE FINANCING RELATED TO THE PROJECT; AND (iv) 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.

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York (the "State"), as amended, and Chapter 565 of the Laws of 1970 of the State of New York, as amended (hereinafter collectively called the "Act"), the **GENESEE COUNTY INDUSTRIAL DEVELOPMENT AGENCY d/b/a GENESEE COUNTY ECONOMIC DEVELOPMENT CENTER** (the "Agency") was created with the authority and power to own, lease and sell property for the purpose of, among other things, acquiring, constructing and equipping industrial, manufacturing and commercial facilities as authorized by the Act; and

WHEREAS, **MEGA PROPERTIES, INC.**, for itself or on behalf of an entity formed or to be formed by it or on its behalf (the "Company") has submitted an application (the "Application") to the Agency, a copy of which is on file with the Agency, requesting the Agency's assistance with respect to a certain project (the "Project") consisting of: (i) the acquisition by the Agency of a leasehold or other interest in certain real property located at 4320 Federal Drive in the Town of Batavia, Genesee County, New York (the "Land", being more particularly identified as TMID No. 8.-1-66) and the existing improvements located thereon, consisting principally of an approximately 147,000 square foot building (the "Existing Improvements"), (ii) the planning, design, engineering, reconstruction, renovation and rehabilitation of the Existing Improvements for operation as a distribution center, together with

related site and exterior improvements (collectively, the "Improvements"), and (iii) 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 "Facility"); and

WHEREAS, it is contemplated that the Agency will (i) designate the Company as agent of the Agency for the purpose of undertaking the Project pursuant to a project agreement (the "Project Agreement"), (ii) negotiate and enter into a lease agreement (the "Lease Agreement"), a leaseback agreement (the "Leaseback Agreement"), a tax agreement (the "Tax Agreement") and related documents with the Company, (iii) take or title to or a leasehold interest in the Land, the Improvements, the Equipment and personal property constituting the Project (once the Lease Agreement, the Leaseback Agreement and the Tax Agreement have been negotiated), and (iv) provide 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 and equipping of the Project, (b) a partial real property tax abatement structured through the Tax Agreement, and (c) a mortgage recording tax exemption as authorized by the laws of New York State (collectively, the "Financial Assistance"); and

WHEREAS, on December 2, 2021, the Agency adopted a resolution (the "Initial Resolution") pursuant to which the Agency (i) accepted the Application of the Company, (ii) directed that a public hearing be held, and (iii) described the forms of financial assistance being contemplated by the Agency with respect to the Project; and

WHEREAS, pursuant to the New York State Environmental Quality Review Act, Article 8 of the Environmental Conservation Law and the regulations adopted pursuant thereto at 6 N.Y.C.R.R. Part 617, as amended (collectively referred to as "SEQRA"), the Agency must satisfy the applicable requirements set forth in SEQRA, as necessary, prior to making a final determination whether to undertake the Project; and

WHEREAS, the Financial Assistance provided by the Agency to the Company shall not exceed \$100,000 until a public hearing is held pursuant to Section 859-a of the Act; and

WHEREAS, pursuant to Article 18-A of the Act the Agency desires to adopt a resolution approving the Project and the Financial Assistance (as defined below) that the Agency is contemplating with respect to the Project; and

WHEREAS, the Project Agreement, the Lease Agreement, the Leaseback Agreement, the Tax Agreement and related documents will be negotiated and presented to the President/CEO, Chair, Vice Chair and/or Senior Vice President of Operations of the Agency for approval and execution subject to adoption of the resolutions contained herein.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE GENESEE COUNTY INDUSTRIAL DEVELOPMENT AGENCY D/B/A GENESEE COUNTY ECONOMIC DEVELOPMENT CENTER AS FOLLOWS:

Section 1. The Company has presented an Application in a form acceptable to the Agency. Based upon the representations made by the Company to the Agency in the Application,



the Agency hereby finds and determines that:

(A) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and

(B) It is desirable and in the public interest for the Agency to appoint the Company as its agent for purposes of acquiring, constructing and equipping the Project; and

(C) The Agency has the authority to take the actions contemplated herein under the Act, and that the Financial Assistance shall not exceed \$100,000 until a public hearing is held pursuant to Section 859-a of the Act; and

(D) The action to be taken by the Agency will induce the Company to develop the Project, thereby increasing employment opportunities in Genesee County, New York and otherwise furthering the purposes of the Agency as set forth in the Act; and

(E) The Project will not result in the removal of a facility or commercial, industrial, or manufacturing plant of the Company or any other proposed occupant of the Project from one area of the State to another area of the State or result in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Project located within the State; and the Agency hereby finds that, based on the Application, to the extent occupants are relocating from one plant or facility to another, the Project is reasonably necessary to discourage the Project occupants from removing such other plant or facility to a location outside the State and/or is reasonably necessary to preserve the competitive position of the Project occupants in their respective industries; and

(F) Based upon the representations made by the Company to the Agency in the Application, the Agency hereby finds and determines that the Project constitutes a "Type II Action" (as such term is defined in SEQRA) as the Project constitutes the replacement, rehabilitation and reconstruction of a structure or facility, in kind, on the same site; therefore, no further action is required under SEQRA.

Section 2. The Agency is hereby authorized to provide to the Company the Financial Assistance 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 partial real property tax abatement structured through the Tax Agreement and (c) an exemption from mortgage recording taxes imposed on the financing related to the Project.

Section 3. Based upon representations and warranties made by the Company in the Application, the Agency hereby authorizes and approves the Company, as its agent, to make purchases of goods and services relating to the Project, that would otherwise be subject to State and local sales and use tax in an amount up to **\$750,000**, which result in State and local sales and use tax exemption benefits ("Sales and Use Tax Exemption Benefits") not to exceed **\$60,000**. The Agency agrees to consider any requests by the Company for an increase to the amount of

Sales and Use Tax Exemption Benefits authorized by the Agency upon being provided with appropriate documentation detailing the additional purchases of property or services.

Section 4. Pursuant to Section 875(3) of the Act, the Agency may recover or recapture from the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, any Sales and Use Tax Exemption Benefits taken or purported to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, if it is determined that: (i) the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, is not entitled to the Sales and Use Tax Exemption Benefits; (ii) the Sales and Use Tax Exemption Benefits are in excess of the amounts authorized to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project; (iii) the Sales and Use Tax Exemption Benefits are for property or services not authorized by the Agency as part of the Project; or (iv) the Sales and Use Tax Exemption Benefits are taken in cases where the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, fails to comply with a material term or condition to use property or services in the manner approved by the Agency in connection with the Project. As a condition precedent of receiving Sales and Use Tax Exemption Benefits, the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, shall (i) cooperate with the Agency in its efforts to recover or recapture any Sales and Use Tax Exemption Benefits, and (ii) promptly pay over any such amounts to the Agency that the Agency demands.

Section 5. Subject to the Company executing the Project Agreement and the delivery to the Agency of a binder, certificate or other evidence of liability insurance policy for the Project satisfactory to the Agency, the Agency hereby authorizes the Company to proceed with the acquisition, construction and equipping of the Project and hereby appoints the Company as the true and lawful agent of the Agency: (i) to acquire, reconstruct, renovate and equip the Project; (ii) to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agent for the Agency with the authority to delegate such agency, in whole or in part, to agents, subagents, contractors, and subcontractors of such agents and subagents and to such other parties as the Company chooses; and (iii) in general, to do all things which may be requisite or proper for completing the Project, all with the same powers and the same validity that the Agency could do if acting in its own behalf; *provided, however*, the Project Agreement shall expire on **December 31, 2024** (unless extended for good cause by the President/CEO of the Agency) if the Lease Agreement, the Leaseback Agreement and the Tax Agreement contemplated have not been executed and delivered.

Section 6. The President/CEO, Chair, Vice Chair and/or Senior Vice President of Operations of the Agency are hereby authorized, on behalf of the Agency, to negotiate and enter into (A) the Project Agreement, (B) the Lease Agreement, pursuant to which the Company leases the Project to the Agency, (C) the related Leaseback Agreement, pursuant to which the Agency leases its interest in the Project back to the Company, and (D) the Tax Agreement; *provided, however*, (i) the rental payments under the Leaseback Agreement include payments of all costs incurred by the Agency arising out of or related to the Project and indemnification of the Agency by the Company for actions taken by the Company and/or claims arising out of or related to the



Project and (ii) the terms of the Tax Agreement are consistent with the Agency's Uniform Tax Exemption Policy or the procedures for deviation have been complied with.

Section 7. The President/CEO, Chair, Vice Chair and/or Senior Vice President of Operations of the Agency are hereby authorized, on behalf of the Agency, to execute, deliver and record the Mortgage securing an aggregate principal amount of up to **\$6,000,000**, and any 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") to assist with the undertaking of the Project, the acquisition of the Facility and/or the finance or re-finance the Facility or equipment and other personal property and related transactional costs (hereinafter, with the Project Agreement, Lease Agreement, Leaseback Agreement, Tax Agreement and the Mortgage, collectively called 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 President/CEO, Chair, Vice Chair and/or Senior Vice President of Operations of the Agency shall approve, the execution thereof by the President/CEO, Chair, Vice Chair 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 Project.

Section 8. The Agency is hereby authorized to provide the Company with an exemption from mortgage recording taxes as permitted by New York State law in an amount not to exceed Sixty Thousand and 00/100 Dollars (\$60,000.00).

Section 9. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required 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 10. These Resolutions shall take effect immediately upon adoption.

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

	<i>Yea</i>	<i>Nay</i>	<i>Absent</i>	<i>Abstain</i>
Peter Zeliff	[ ]	[ ]	[ ]	[ ]
Matthew Gray	[ ]	[ ]	[ ]	[ ]
Paul Battaglia	[ ]	[ ]	[ ]	[ ]
Craig Yunker	[ ]	[ ]	[ ]	[ ]
Todd Bender	[ ]	[ ]	[ ]	[ ]
Chandy Kemp	[ ]	[ ]	[ ]	[ ]
Marianne Clattenburg	[ ]	[ ]	[ ]	[ ]

The Resolutions were thereupon duly adopted.

**SECRETARY'S CERTIFICATION**  
*(Mega Properties, Inc. Project)*

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 annexed extract of minutes of the 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 December 16, 2021, with the original thereof on file in the offices of the Agency, 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 related 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 such 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 affixed the seal of said Agency this \_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
Secretary