

INITIAL RESOLUTION

(O-AT-KA Milk Products Cooperative, Incorporated Project)

A regular meeting of the Genesee County Industrial Development Agency d/b/a Genesee County Economic Development Center was convened on Thursday, October 5, 2017.

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

Resolution No. 10/2017 - 04

RESOLUTION OF THE GENESEE COUNTY INDUSTRIAL DEVELOPMENT AGENCY D/B/A GENESEE COUNTY ECONOMIC DEVELOPMENT CENTER (THE "AGENCY") (i) ACCEPTING THE APPLICATION WITH RESPECT TO A CERTAIN PROJECT (DESCRIBED BELOW), (ii) AUTHORIZING A PUBLIC HEARING WITH RESPECT TO THE PROJECT AND (iii) DESCRIBING THE FORMS OF FINANCIAL ASSISTANCE BEING CONTEMPLATED BY THE AGENCY WITH RESPECT TO THE PROJECT.

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, 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** (hereinafter called 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 civic, industrial, manufacturing and commercial facilities as authorized by the Act; and

WHEREAS, **O-AT-KA MILK PRODUCTS COOPERATIVE, INCORPORATED**, for itself or on behalf of an entity 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 a certain project (the "Project") consisting of: (i) the retention or acquisition by the Agency of a leasehold interest in certain land located at 165 Cedar Street aka 4815 Ellicott Street Road, in the City of Batavia, Genesee County, New York (being more particularly identified as part of tax map identification number 98.005-1-3.1) (the "Land") and the existing improvements thereon, consisting principally of part of the Company's existing plant/warehouse structure (the "Existing Improvements"), (ii) the construction and equipping, on a portion of the Land adjacent to and contiguous with the Existing Improvements, of an approximately 20,075 square-foot addition to facilitate possible layout changes to production systems and storage locations (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 collectively with the Land, the Existing Improvements and the Improvements, the "Facility"); and

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

WHEREAS, it is contemplated that the Agency will (i) hold a public hearing with respect to the Project; (ii) designate the Company as its agent for the purpose of undertaking the Project pursuant to a certain Agent, Financial Assistance and Project Agreement by and between the Agency and the Company (the "Agent Agreement"), (iii) retain its leasehold interest in the Facility pursuant to that certain Lease Agreement, dated as of October 1, 2015, by and between the Company and the Agency (or an amendment and restatement thereof) (the "Lease Agreement") and continue to lease its interest in the Facility to the Company pursuant to that certain Leaseback Agreement, dated as of October 1, 2015, by and between the Agency and the Company (or an amendment or restatement thereof) (the "Leaseback Agreement"), (iv) negotiate an amendment to that certain Tax Agreement, dated as of September 1, 2015, by and between the Agency and the Company (the "Amended Tax Agreement") and (v) 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, reconstruction, renovation and equipping of the Project and (b) a partial real property tax abatement structure under the Amended Tax Agreement (collectively, the "Financial Assistance").

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 (the "Application") in a form acceptable to the Agency. Based upon the representations made by the Company to the Agency in the Company's Application, the Agency hereby finds and determines that:

(A) 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 undertaking the Project; and

(C) The Agency has the authority to take the actions contemplated herein under 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 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 civic, commercial, industrial, or manufacturing plant of the Company or any other proposed occupant of the Project from one area of the State of New York (the "State") to another area of the State or result in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Project located within the State; and the Agency hereby finds that, based on the Company's 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

Section 2. The Agency is hereby authorized to conduct a public hearing in compliance with the Act.

Section 3. The Chairman, Vice Chairman and/or the President/CEO of the Agency are hereby authorized, on behalf of the Agency, to hold a public hearing in compliance with the Act and negotiate the terms of (i) an Agent Agreement, (ii) an amendment or restatement to the Lease Agreement and the Leaseback Agreement, if necessary, (iii) an Amended Tax Agreement and (iv) related documents; *provided that* (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 Amended Tax Agreement are consistent with the Agency's Uniform Tax Exemption Policy or the procedures for deviation therefrom have been complied with.

Section 4. 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 5. These Resolutions shall take effect immediately.

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

	<i>Yea</i>	<i>Nay</i>	<i>Absent</i>	<i>Abstain</i>
Paul Battaglia	[X]	[]	[]	[]
Peter Zeliff	[X]	[]	[]	[]
John L. Rizzo	[X]	[]	[]	[]
Michael Davis	[]	[]	[]	[X]
Todd Bender	[X]	[]	[]	[]
Craig Yunker	[]	[]	[X]	[]
Matthew Gray	[X]	[]	[]	[]

The Resolutions were thereupon duly adopted.

CERTIFICATION

(O-AT-KA Milk Products Cooperative, Incorporated 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:

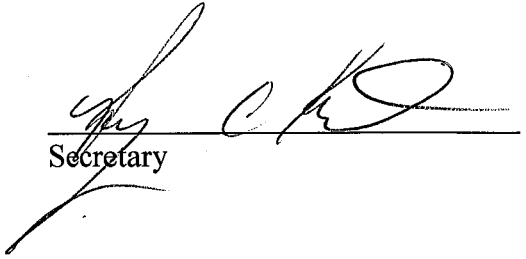
That I have compared the annexed extract of minutes of the meeting of the Genesee County Industrial Development Agency d/b/a Genesee County Economic Development Center (the "Agency"), including the resolution contained therein, held on October 5, 2017, with the original thereof on file in my office, 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 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 6th day of October, 2017.



Secretary



Thursday, October 5, 2017
Upstate MedTech Centre – Innovation Zone
4:00 PM

GCEDC MINUTES

3.4 OATKA Milk Products – Initial Resolution – C. Suozzi shared that OATKA plans to construct a 20,075-sq. ft. expansion of the current plant located at 4815 Ellicott Street in the City of Batavia to address current space restrictions that limit future growth opportunities for the business. The company plans to invest approx. \$4.3M and retain 308 jobs. The company is seeking assistance from the GCEDC with a sales tax exemption valued at approx. \$206,400 and a property tax abatement, based on the incremental increase in assessed value, valued at approx. \$163,813. A public hearing will be held as benefits exceed \$100,000.

C. Suozzi asked the Board to approve Resolution No. 10/2017-04.

Resolution No. 10/2017-04

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M. Gray made a motion to approve OATKA Milk Products – Initial Resolution No. 10/2017-04 as presented; the motion was seconded by P. Zelif. Roll call resulted as follows:

P. Battaglia -	Yes	C. Yunker -	Absent
T. Bender -	Yes	P. Zelif -	Yes
M. Davis -	Abstain	M. Gray -	Yes
J. Rizzo -	Yes		

The item was approved as presented.