



INDUSTRIAL DEVELOPMENT AGENCY

MAKING CONNECTIONS  
CREATING SOLUTIONS

## Steuben County Industrial Development Agency

### February 25, 2021 Meeting Notice

Because of the Novel Coronavirus (COVID-19) Emergency and State and Federal bans on large meetings or gatherings and pursuant to Governor Andrew Cuomo's Executive Order EO No. 202.92 suspending the Open Meetings Law, the Steuben County Industrial Development Agency (the "Agency") will hold its regularly scheduled Board Meeting at 12:00 p.m. electronically via webinar instead of a public meeting open for the public to attend in person. Minutes of the Board Meeting will be posted on the Steuben County IDA's website.

The public may submit written comments in advance of the meeting through the Steuben County IDA website (<https://www.steubencountyida.com/contact/>) or by email at [scida@steubencountyida.com](mailto:scida@steubencountyida.com).

Members of the public may view and listen to the meeting by using the following link: <https://www.steubencountyida.com/meetings/>.

STEUBEN COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY  
PROPOSED AGENDA  
REGULAR MEETING  
February 25, 2021  
12:00 pm

- |       |   |         |
|-------|---|---------|
| I.    | Call to Order<br>Quorum Present   | Alger   |
| II.   | Administrative Oath<br>Judy Hunter, Steuben County Clerk  | Alger   |
| III.  | Secretary's Report  | Strobel |
| IV.   | Treasurer's Report  |         |
|       | a. January Financials   | Russo   |
| V.    | New Business  |         |
|       | a. PARIS Report Updates   | Johnson |
| VI.   | Old Business  |         |
|       | a. Clark Specialty<br>Final Resolution  | Johnson |
|       | b. East Lake Holdings<br>Request for extension of PILOT   | Johnson |
| VII.  | NYSEDC Legislative Updates  | Silva   |
| VIII. | Executive Session – Public Officers Law<br>Article 7, Open Meeting Law Section 105<br>Paragraph h (real property) and Paragraph f (personnel) | Alger   |
| IX.   | Adjournment   | Alger   |

**Steuben County Industrial Development Agency  
7234 Route 54N, P.O. Box 393, Bath, NY 14810**

**Minutes of the Regular Meeting January 28, 2021**

Because of the Novel Coronavirus (COVID-19) Emergency and State and Federal bans on large meetings or gatherings and pursuant to Governor Andrew Cuomo’s Executive Order EO No. 202.79 allowing for the extension of public meetings to be held remotely until January 1, 2021, the Steuben County Industrial Development Agency (the “Agency”) held this Board meeting via electronic webinar instead of a public meeting open for the public to attend in person.

- I. CALL TO ORDER:** The Regular Meeting of the Steuben County Industrial Development Agency (SCIDA) was called to order at 12:18 p.m. by Chairman, Mark Alger. Chairman Alger confirmed that there was a quorum present via Zoom meeting.

Present:	Mark Alger	Chairman
Board	Dean Strobel	Secretary
	Tony Russo	Treasurer
	Christine Sharkey	Member
	Mike Nisbet	Member
	Mike Davidson	Member
Staff:	James Johnson	Executive Director
	Jill Staats	IDA Staff
	Keri Allison	IDA Staff
	Russ Gaenzle	SCIDA Counsel
Other:	Jim Griffin	Hornell IDA
	Susan Payne	Three Rivers Corp.

- II. ADMINISTRATIVE OATH:** Steuben County Deputy Clerk Sue Cranmer administered the oath of office to newly elected board member Michael Davidson.

- III. SECRETARY’S REPORT:** A motion to approve the December 10, 2020 Steuben County Industrial Development Agency’s Regular Meeting minutes was made by Chris Sharkey, seconded by Dean Strobel. All in favor. Approved.

**IV. TREASURER’S REPORT:**

- a. The December 2020 financials were presented to the board by Treasurer Tony Russo. Jamie Johnson discussed with the board that operationally, the Agency ended the year \$62,852 on the positive side, considering

income and expenses. However, the \$250,000 contribution to the REDEC loan fund is taken into account and without it, the final number would have been \$312,852.00. A motion to approve the financials for was made by Mike Nisbet, seconded by Christine Sharkey. All in favor. Approved.

- b. Prior to the board meeting, the finance committee met with EFPR Group and were presented with the 2020 Annual Audit Plan. Jamie Johnson provided a brief overview to the board, whom had been previously provided with the plan in written format. A motion was made to approve the 2020 Annual Audit Plan by Chris Sharkey, seconded by Dean Strobel. All in favor. Approved.

## V. **NEW BUSINESS**

### a. **Committee Appointments**

No action was needed for the committee appointments, as they are made directly by Chairman Mark Alger. The committee appointments are as follows:

#### Governance

Chris Sharkey, Chair  
Dean Strobel  
Mike Davidson

#### Finance/Audit

Tony Russo, Chair  
Chris Sharkey

#### Personnel/Nominating

Mike Nisbet, Chair  
Mark Alger

### b. **Personnel Benefits**

Jamie Johnson presented to the board the updated personnel benefit policy. The only change needed was to adjust the accrual of vacation and make additions to the qualifying uses to align with the NY State Law. A motion was made to approve the new policy by Chris Sharkey, seconded by Mike Nisbet. All in favor. Approved.

### c. **Policy Review**

Jamie requested the Board to ratify the Agency's policies, which had been reviewed by Harris Beach, PLLC. A motion was made by Chris Sharkey, seconded by Tony Russo. All in favor. Approved.

All Agency policies can be found on our website here:

<https://www.steubencountyida.com/documents/>

### d. **Three Rivers Development Contract**

Jamie presented the 2021 annual Three Rivers Development contract for services in the amount of \$25,000 to the board. The focus of this year's

initiatives is the advancement of Steuben County workforce retention, re-positioning and development, and advancing commercialization of innovation. A motion was made to approve the contract by Mike Nisbet, seconded by Dean Strobel. All in favor. Approved. (Christine Sharkey abstained from participating in the vote as she is the Chair of the Three Rivers Board.)

**e. Long Run Communication Contract**

Jill Staats presented the 2021 contract for marketing services by Long Run Communications to the board. A motion was made to approve the contract by Dean Strobel, seconded by Chris Sharkey. All in favor. Approved.

**f. Clark Specialty Application & Initial Resolution**

Jamie Johnson presented to the board an application and initial inducement resolution for Clark Specialty Company, Inc. The sale of the Babcock Ladder property currently owed by the Agency is anticipated to close within the next month, and the environmental easement has been filed with the State. The project entails a total project investment of \$100,000 to install new equipment which will allow the company to remain competitive in the manufacturing market. The company anticipates creating ten new jobs, and will receive a PILOT benefit. A motion was made to approve the application and initial resolution by Mike Nisbet, seconded by Chris Sharkey. All in favor. Approved.

The Clark Specialty Company, Inc. project documents can be found on our website at:

<https://www.steubencountyida.com/docs/2021/01/29/2021-clark-specialty-company-inc/>

**VI. OLD BUSINESS**

**a. 2019 PARIS Annual Report Correction**

Upon request from the Comptroller's office, staff researched and provided answers to questions regarding the 2019 PARIS report, which resulted in the need to make several changes to the report. Jamie requested that the board approve the changes made to the 2019 PARIS report. A motion was made to ratify these changes by Chris Sharkey, seconded by Tony Russo. All in favor. Approved.

**b. CPMCo C Building Sales Tax Exemption Extension**

Jamie presented the board with a request from CPMCo to extend the length of time for their Sales Tax Exemption and to increase the total benefit amount; the extension and increase is directly related to complications arising from the COVID pandemic. A motion was made to approve the extension and increase by Dean Strobel, seconded by Tony Russo. All in favor. Approved. (Chris Sharkey abstained from the vote)

**c. NY Troupsburg I, LLC Decommissioning Plan Extension**

Jill Staats presented to the board a request from NY Troupsburg I, LLC to extend their decommissioning plan, due to a delay resulting from the necessity of the Town of Troupsburg holding a second public hearing. There was a motion made to extend the decommissioning plan to the end of February by Mike Nisbet, seconded by Chris Sharkey. All in favor. Approved.

**d. Riedman Purcell CH II Sales Tax Exemption Extension**

Jamie presented the board with a request to extend the sales tax exemption for Riedman Purcell CH II, due to delays directly related to the COVID pandemic. This extension will apply to both Riedman Purcell CH II, LLC and Riedman Purcell CH II, LLC Phase 2 projects. A motion was made to approve this extension by Chris Sharkey, seconded by Dean Strobel. All in favor. Approved.

**e. Project Updates**

**i. Providence Housing – Dana Lyon**

Jamie provided the board with an update on the progress of the Providence Housing Dana Lyon project, including the finalization of a PILOT schedule and the completion of a business plan for the Waterman Arts Center.

**ii. Wind Project Updates**

Jamie discussed the feedback he has received from multiple wind projects, indicating that two wind projects are anticipated to close and begin construction in the second quarter of 2021, and a third project expects to close later in the year.

**iii. Legislative Updates**

The board was provided with a detailed packet from NYSEDC outlining current NYS legislative updates.

**VII. ADJOURNMENT**

With no further business to discuss, a motion was made by Mike Nisbet to adjourn the meeting at 1:14 p.m., seconded by Chris Sharkey. All in favor. Approved.

Meeting was adjourned at 1:14 p.m.

Respectfully submitted,

Dean Strobel  
Secretary

A complete recording of the meeting can be found at  
<https://www.steubencountyida.com/meetings/>

3:42 PM

02/19/21

Accrual Basis

**SCIDA**  
**Balance Sheet**  
As of January 31, 2021

	Jan 31, 21
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
200 · Five Star Bank checking	458,826.68
204 · Five Star CD 225178877	96,523.67
210 · Petty cash	89.56
213 · Five Star CD 225177137	500,000.00
215 · Chemung Canal Trust Company	651,618.64
<b>Total Checking/Savings</b>	1,707,058.55
<b>Accounts Receivable</b>	
160 · CBDG loan	157,870.62
<b>Total Accounts Receivable</b>	157,870.62
<b>Other Current Assets</b>	
216 · Chemung Canal CD 1024353482	812,629.38
<b>Total Other Current Assets</b>	812,629.38
<b>Total Current Assets</b>	2,677,558.55
<b>Fixed Assets</b>	
100 · Land - B&W Railroad	380,250.00
101 · B&H Railroad	102,653.00
102 · B&H Railroad Equipment	14,250.00
103 · Building - Office	161,544.00
104 · Engine House - Livonia	100,000.00
105 · Land - Industrial Park 1	285,440.40
106 · Land - Railroad	39,979.00
107 · Office Equipment	30,556.85
108 · B&W Railroad	380,250.00
109 · Building Improvements	3,400.00
110 · Babcock Ladder Land	50,000.00
111 · B & H Railroad	922,522.80
112 · Accumulated Depreciation	-840,135.80
150 · Website Design	30,000.00
<b>Total Fixed Assets</b>	1,660,710.25
<b>Other Assets</b>	
151 · Accumulated Amortization	-30,000.00
199 · Deferred Outflows of Resources	-118,392.00
<b>Total Other Assets</b>	-148,392.00
<b>TOTAL ASSETS</b>	<b>4,189,876.80</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
Accts. Payable	-101.80
211 · Accounts Payable	101.80
<b>Total Accounts Payable</b>	0.00

SCIDA  
**Balance Sheet**  
As of January 31, 2021

	<u>Jan 31, 21</u>
<b>Other Current Liabilities</b>	
<b>2100 · Payroll Liabilities</b>	
2100.01 · Federal Withholding	-23,438.99
2100.02 · NYS Withholding	-346.15
2100.03 · Social Security - Employee	-421.51
2100.04 · Medicare - Employee	-98.57
2100.05 · 414(h) Retirement Deduction	-436.92
2100.06 · United Way Deduction	-769.00
2100.07 · HSA Pre-Tax Deduction	-200.00
2100.08 · Employee Pre-Tax Insurance Ded	2,262.04
2100 · Payroll Liabilities - Other	3,883.88
	<hr/>
<b>Total 2100 · Payroll Liabilities</b>	-19,565.22
211.1 · Accounts Payable New	2,941.13
261 · Deferred Inflows of Resources	12,573.00
	<hr/>
<b>Total Other Current Liabilities</b>	-4,051.09
	<hr/>
<b>Total Current Liabilities</b>	-4,051.09
<b>Long Term Liabilities</b>	
260 · Net Pension Liability	-57,140.00
	<hr/>
<b>Total Long Term Liabilities</b>	-57,140.00
	<hr/>
<b>Total Liabilities</b>	-61,191.09
<b>Equity</b>	
1110 · Retained Earnings	3,555,819.80
1115 · Contributed Capital	95,000.00
1120 · Temp Restricted-Millennium	554,833.34
Net Income	45,414.75
	<hr/>
<b>Total Equity</b>	4,251,067.89
	<hr/>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>4,189,876.80</b>
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## SCIDA Profit & Loss Budget Performance

		January 2021				
		Jan 21	Budget	Jan 21	YTD Budget	Annual Budget
<b>Ordinary Income/Expense</b>						
Income						
	2140 · Administrative Income	93,000.00	58,366.63	93,000.00	58,366.63	700,400.00
	2145 · Lease Income	1,001.00	500.00	1,001.00	500.00	4,500.00
	2401 · Interest Income	29.21	416.63	29.21	416.63	5,000.00
	2770 · Miscellaneous Income	0.00	416.63	0.00	416.63	5,000.00
	2780 · Reimbursed Expenses	330.00	165.00	330.00	165.00	1,980.00
	2810 · Business Development Support	0.00	0.00	0.00	0.00	75,000.00
	<b>Total Income</b>	<b>94,360.21</b>	<b>59,864.89</b>	<b>94,360.21</b>	<b>59,864.89</b>	<b>791,880.00</b>
<b>Gross Profit</b>		<b>94,360.21</b>	<b>59,864.89</b>	<b>94,360.21</b>	<b>59,864.89</b>	<b>791,880.00</b>
Expense						
	6110 · Automobile Expense	630.30	958.37	630.30	958.37	11,500.00
	6145 · Continuing Education	1,894.35	541.63	1,894.35	541.63	6,500.00
	6160 · Dues and Subscriptions	1,987.79	799.34	1,987.79	799.34	9,591.86
	6180 · Insurance					
	6181 · Health Insurance	9,845.98	9,864.95	9,845.98	9,864.95	47,979.44
	6182 · Dental Insurance	0.00	299.48	0.00	299.48	3,593.76
	6185 · Liability Insurance	1,270.00	666.62	1,270.00	666.62	7,999.00
	6190 · Disability Insurance	0.00	183.37	0.00	183.37	2,200.00
	6195 · Life Insurance	0.00	111.00	0.00	111.00	1,332.00
	6196 · Workers' Compensation	0.00	116.63	0.00	116.63	1,400.00
	6180 · Insurance - Other	1,069.00		1,069.00		
	<b>Total 6180 · Insurance</b>	<b>12,184.98</b>	<b>11,242.05</b>	<b>12,184.98</b>	<b>11,242.05</b>	<b>64,504.20</b>
	6200 · Interest Expense					
	6210 · Finance Charge	7.99		7.99		
	<b>Total 6200 · Interest Expense</b>	<b>7.99</b>		<b>7.99</b>		
	6240 · Miscellaneous Office Expenses	-32.20	416.63	-32.20	416.63	5,000.00
	6250 · Postage and Delivery	174.56	250.13	174.56	250.13	3,002.00
	6270 · Professional Fees					
	6650 · Accounting	0.00	808.37	0.00	808.37	9,700.00
	6655 · Consulting	0.00	2,083.37	0.00	2,083.37	25,000.00
	<b>Total 6270 · Professional Fees</b>	<b>0.00</b>	<b>2,891.74</b>	<b>0.00</b>	<b>2,891.74</b>	<b>34,700.00</b>
	6340 · Telephone	342.78	361.63	342.78	361.63	4,340.00
	6350 · Travel & Ent	0.00	666.63	0.00	666.63	8,000.00
	6390 · Utilities	129.40	333.37	129.40	333.37	4,000.00
	6465 · Community Engagement	0.00	0.00	0.00	0.00	6,500.00
	6495 · Cleaning	230.00	216.60	230.00	216.60	2,599.97
	6505 · Conferences	0.00	541.63	0.00	541.63	6,500.00
	6515 · Copier	240.76	250.00	240.76	250.00	3,000.00
	6535 · Internet access	60.00	66.75	60.00	66.75	801.00
	6540 · Legal Services	0.00	375.00	0.00	375.00	4,500.00
	6545 · Maintenance	55.00	566.63	55.00	566.63	6,800.00
	6550 · Office Supplies	95.44	397.88	95.44	397.88	4,775.00
	6560 · Payroll Expenses	23,401.76	28,029.28	23,401.76	28,029.28	336,351.69

## SCIDA Profit & Loss Budget Performance

				January 2021				
				Jan 21	Budget	Jan 21	YTD Budget	Annual Budget
			<b>6576 · Project Costs</b>	80.46	2,083.37	80.46	2,083.37	25,000.00
			<b>6590 · Refuse</b>	66.50	35.00	66.50	35.00	420.00
			<b>6595 · Retirement</b>	0.00	0.00	0.00	0.00	36,106.00
			<b>6600 · Retirement - Employee contribut</b>					
			<b>6625 · Technology upgrades</b>	0.00	416.63	0.00	416.63	5,000.00
			<b>6645 · Marketing</b>	6,157.50	2,083.37	6,157.50	2,083.37	25,000.00
			<b>6651 · Payroll Fees</b>	334.49	134.37	334.49	134.37	1,612.00
			<b>Total Expense</b>	<b>48,041.86</b>	<b>53,658.03</b>	<b>48,041.86</b>	<b>53,658.03</b>	<b>616,103.72</b>
			<b>Net Ordinary Income</b>	<b>46,318.35</b>	<b>6,206.86</b>	<b>46,318.35</b>	<b>6,206.86</b>	<b>175,776.28</b>
			<b>Net Income</b>	<b>46,318.35</b>	<b>6,206.86</b>	<b>46,318.35</b>	<b>6,206.86</b>	<b>175,776.28</b>

**FINAL RESOLUTION**  
*(Clark Specialty Co. Inc.)*

A regular meeting of the Steuben County Industrial Development Agency was convened on Thursday, February 25, 2021.

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

Resolution No. 02/2021 - \_\_\_\_

RESOLUTION OF THE STEUBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY (i) ACKNOWLEDGING THE PUBLIC HEARING HELD WITH RESPECT TO THE CLARK SPECIALTY CO. INC. PROJECT ON FEBRUARY 17, 2021; (ii) AUTHORIZING FINANCIAL ASSISTANCE (AS MORE FULLY DESCRIBED BELOW) FOR THE BENEFIT OF CLARK SPECIALTY CO. INC.; AND (iii) AUTHORIZING THE EXECUTION AND DELIVERY LEASE AGREEMENT, LEASEBACK AGREEMENT, TAX AGREEMENT 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, as amended, and Chapter 178 of the Laws of 1972 of the State of New York, as amended (hereinafter collectively called the "Act"), the **STEUBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY** (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, **CLARK SPECIALTY CO., INC.**, for itself or on behalf of an entity to be formed by it or on its behalf (collectively, the "Company"), previously submitted an application (the "Application"), 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 conveyance by the Agency to the Company, pursuant to a quitclaim deed, of fee simple title to certain property located at 36 Delaware Avenue, Town of Bath, New York 14810 (the "Land"; being more particularly described as tax parcel No. 159.17-01-006.100) and the existing improvements located thereon, consisting principally of an existing manufacturing building (the "Existing Improvements"); (ii) the planning, re-design, re-construction and operation of the Existing Improvements by the Company to accommodate certain items of machinery and equipment, including, but not limited to a new laser cutting machine, a ten (10) ton crane and a new powder coating line (collectively, the "Improvements"); and (iii) the acquisition of and installation in and around the Land, the Existing Improvements and Improvements by the Company of machinery, equipment, fixtures and other items of tangible personal property (the "Equipment"; and, together with the Land and the Improvements, the "Facility"); and

WHEREAS, by resolution adopted by the Agency on January 28, 2021 (the "Inducement Resolution"), the Agency accepted the Application as submitted by the Company and, among other things, (i) described the Financial Assistance (as defined below) being contemplated by the Agency and (ii) authorized the Agency to hold a public hearing regarding the contemplated Financial Assistance; and

WHEREAS, pursuant to Section 859-a of the Act and pursuant to Executive Orders issued by Governor Andrew M. Cuomo, on Wednesday, February 17, 2021, at 10:30 a.m., the Agency held a virtual public hearing with respect to the Project and the proposed Financial Assistance being contemplated by the Agency (the "Public Hearing") whereat interested parties were provided a reasonable opportunity, both orally – by teleconference - and in writing, to present their views. (A copy of the Notice of Public Hearing published and forwarded to the affected taxing jurisdictions at least ten (10) days prior to said Public Hearing are attached hereto as Exhibit A); 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 foregoing; and

WHEREAS, the Agency desires to adopt a resolution (i) acknowledging that the Public Hearing was held in compliance with the Act, (ii) authorizing the negotiation, execution and delivery by the Agency of a lease agreement (the "Lease Agreement"), leaseback agreement (the "Leaseback Agreement") and tax agreement (the "Tax Agreement") and related documents, and (iii) authorizing the financial assistance to the Company in the form of a real property tax abatement structured under the Tax Agreement (the "Financial Assistance"); and

WHEREAS, the Lease Agreement, Leaseback Agreement and Tax Agreement and related documents have been negotiated and are presented to this meeting for execution.

NOW, THEREFORE, BE IT RESOLVED BY THE STEUBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. The virtual Public Hearing held by the Agency on Wednesday, February 17, 2021, at 10:30 a.m., concerning the Project and the Financial Assistance was duly held in accordance with the Act and pursuant to Executive Orders issued by Governor Andrew M. Cuomo, including but not limited to the giving of at least ten (10) days published notice of the Public Hearing (such notice also provided to the Chief Executive Officer of each affected tax jurisdiction), affording interested parties a reasonable opportunity, both orally – by teleconference - and in writing, to present their views with respect to the Project.

Section 2. The Agency finds that the Project and the providing of the Financial Assistance by the Agency to the Company constitutes a "Type II action" pursuant to 6 N.Y.C.R.R. Part 617.5 and therefore is exempt from review under SEQRA.

Section 3. The Agency is hereby authorized to provide to the Company Financial Assistance in the form of a partial real property tax abatement structured through the Tax Agreement.

Section 4. Pursuant to Section 875(3) of the Act, the Agency may recover or recapture from the Company any Financial Assistance provided to the Company for the Project, if it is determined that (1) the Company has made a material false statement on its application for Financial Assistance; and/or (2) the Company obtains real property tax abatements benefits under the Tax Agreement and 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 (together, items (1) through (2) are hereby defined as a "Recapture Event").

As a condition precedent of receiving real property tax abatement benefits under the Tax Agreement, the Company must (i) if a Recapture Event determination is made by the Agency, cooperate with the Agency in its efforts to recover or recapture real property tax abatement benefits, and (ii) promptly pay over any such amounts to the Agency that the Agency demands, if and as so required to be paid over as determined by the Agency.

Section 5. The Chairman, Vice Chairman and/or the Executive Director of the Agency are hereby authorized, on behalf of the Agency, to negotiate and execute (A) the Lease Agreement, pursuant to which the Company leases the Project to the Agency, (B) the Leaseback Agreement, pursuant to which the Agency leases its interest in the Project back to the Company, and (C) the Tax Agreement; provided (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 6. 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 7. 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>
Michael L Nisbet	[ ]	[ ]	[ ]	[ ]
Michael J. Doyle	[ ]	[ ]	[ ]	[ ]
Scott J. Van Etten	[ ]	[ ]	[ ]	[ ]
Christine G. Sharkey	[ ]	[ ]	[ ]	[ ]
Tony Russo	[ ]	[ ]	[ ]	[ ]
Dean Strobel	[ ]	[ ]	[ ]	[ ]
Mark R. Alger	[ ]	[ ]	[ ]	[ ]

The Resolutions were thereupon duly adopted.

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**SECRETARY'S CERTIFICATION**  
*(Clark Specialty Co. Inc.)*

STATE OF NEW YORK                    )  
COUNTY OF STEUBEN                ) ss.:

I, the undersigned, Secretary, of the Steuben County Industrial Development Agency, DO HEREBY CERTIFY:

That I have compared the annexed extract of minutes of the meeting of the Steuben County Industrial Development Agency (the "Agency"), including the resolution contained therein, held on December 10, 2020, with the original thereof on file in the office 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

EXHIBIT A

[Notice Documents]

East Lake Holdings, LLC  
Best Western Plus Hammondsport  
8805 Route 415  
Campbell, NY 14840

Mr. Jamie Johnson  
Steuben County IDA  
7234 Route 54 North  
Bath, NY 14810

Dear Jamie,

Thanks again for your time on the phone last week. This letter is sent to formally request relief on the pilot program put into effect for the hotel on 3/1/2015.

Covid19 has had a devastating effect on the hotel in terms of finances, occupancy and stabilization.

We made the difficult decision to close the hotel on the 23<sup>rd</sup> of March last year due to a lack of business and the fact that at the time, hotels were not considered essential by Governor Cuomo. That ended up changing but not till after we had made the decision and let the staff know.

We hoped to open in within a few weeks but the handwriting on the wall became clearer with time and we didn't reopen until July 3<sup>rd</sup>. Our hope was to capture the 4<sup>th</sup> of July business, but it turned out to be minimal.

The closure created a situation where our revenue went to an absolute zero for 3 ½ months and during that time, with expenses cut to the bare minimum we still had an actual cash loss of \$84,000.

During our peak season July, Aug, & Sept. our revenue was at 51% of 2019. Occupancy during that period ran at similar levels. The 4<sup>th</sup> quarter was at 60% of the previous year's revenue and occupancy.

All in big picture gross numbers:

2019 - \$1,370,000

2019 - \$617,000 down 55%

Net revenue was considerably lower by percentage YoY.

Unfortunately, there was also the long-term impact on stabilization that Covid19 caused. A typical business traveler hotel, i.e. near an airport, will take 3 years to stabilize, while a rural destination hotel will take 5 or more. Even though we basically lost a year, I know without

question this has set us back several years in terms of stabilization. This a result of Covid fear that will remain on some level for years to come, in particular with our guests who are older and most fearful. Add to that the additional capacity that neither I nor the company that did the feasibility study (prior to closing the purchase of the property) saw coming. That includes the Hampton and Microtel in Penn Yan and the Hilton Garden Inn, in Corning. All are unfortunately in our "comp set" and impact us directly. So, the combination of both, stabilization and unforeseen capacity has set us back considerably. In my estimation, by as much as 5 years.

It is my hope that you and your board will take this into consideration and provide us with relief on the Pilot Program by adding time to it.

If you have any questions, please don't hesitate to contact me any time.

Best, regards

Cameron Dunlap  
Manager  
607-542-9005  
cam@gate.net

**STEBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY**

**AND**

**EAST LAKE HOLDINGS, LLC**

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**PAYMENT IN LIEU OF TAX AGREEMENT**

---

**Dated as of March 1, 2015**

**Affected Tax Jurisdictions:**  
**Steuben County**  
**Town of Urbana**  
**Hammondsport Central School District**

**Tax Map No:**

**118.13-01-015.000**

## PAYMENT IN LIEU OF TAX AGREEMENT

THIS PAYMENT IN LIEU OF TAX AGREEMENT (the "Agreement"), dated as of the 1<sup>st</sup> day of March, 2015, by and between **STEBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY**, a public benefit corporation duly existing under the laws of the State of New York with offices located at 7234 Route 54, Bath, New York 14810 (the "Agency"), and **EAST LAKE HOLDINGS, LLC**, a limited liability company duly formed and good standing under the laws of the State of New York, with offices located at 8805 State Rte. 415, Campbell, New York 14821 (the "Company").

### WITNESSETH:

WHEREAS, the Agency was created by Chapter 178 of the Laws of 1972 of the State of New York pursuant to Title I of Article 18-A of the General Municipal Law of the State of New York (collectively, the "Act") as a body corporate and politic and as a public benefit corporation of the State of New York; and

WHEREAS, the Company has submitted an application (the "Application") to 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 interest in an approximately 4.3-acre parcel of land located at 8440 State Route 54, Town of Urbana, New York (the "Land") and the approximately 85,000 square-foot building located thereon (the "Existing Improvements"); (ii) the demolition of the Existing Improvements and the construction on the Land of an approximately 42,000 square-foot, 60-room hotel and related amenities and improvements (the "Improvements"); and (iii) the acquisition and installation in and around the Improvements of certain items of equipment, machinery and other tangible personal property (the "Equipment", and collectively with the Land and the Improvements, the "Facility"); and

WHEREAS, in order to induce the Company to acquire, construct and equip the Facility, the Agency is willing to take or retain leasehold interest in the land, improvements and personal property constituting the Facility and lease said land, improvements and personal property back to the Company pursuant to the terms and conditions of a certain Leaseback Agreement, by and between the Agency, as lessor, and the Company, as lessee, to be dated on or about the date hereof (the "Leaseback Agreement"); and

WHEREAS, pursuant to Section 874(1) of the Act, the Agency is exempt from the payment of taxes imposed upon real property and improvements owned by it or under its jurisdiction, control or supervision, other than special ad valorem levies, special assessments and service charges against real property which are or may be imposed for special improvements or special district improvements; and

WHEREAS, the Agency and the Company deem it necessary and proper to enter into an agreement making provisions for payments in lieu of taxes by the Company to the Agency for the benefit of Steuben County (the "County"), the Town of Urbana (the "Town") and the Hammondsport Central School District (the "School" and, collectively, with the County and Town, the "Affected Tax Jurisdictions"); and

NOW, THEREFORE, in consideration of the covenants herein contained, and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, it is mutually agreed as follows:

Section I - Payment in lieu of Ad Valorem Taxes.

1.1 A. Subject to the completion and filing by the taxable status date (**March 1, 2017**) (the "Taxable Status Date") of New York State Form RP-412-a Application For Real Property Tax Exemption (the "Exemption Application") under Section 412-a of the New York State Real Property Tax Law and Section 874 of the Act and the approval of the Exemption Application by the appropriate assessors or Board of Assessment Review, the Facility shall be exempt from Real Estate Taxes commencing with the **2018** County and Town tax year and the **2017-18** School tax year. For purposes of the foregoing "Real Estate Taxes" means all general levy real estate taxes levied against the Facility by the County, Town and School. The Company shall provide to the Agency the information necessary for the completion and filing of the Exemption Application and shall provide such additional information and take such actions as are required by the appropriate assessors or Board of Assessment Review to process and approve the Exemption Application. Notwithstanding anything contained herein or in the Leaseback Agreement to the contrary, in the event the exemption from Real Estate Taxes is denied for any reason, the Company shall pay (and hereby agrees to pay) all Real Estate Taxes levied upon the Facility as they become due. After giving written notice to the Agency, the Company may in good faith contest the denial of the Exemption Application, provided that (i) the overall operating efficiency of the Facility is not impaired and the Facility continues to qualify as a "project" under the Act; (ii) neither the Facility nor any part of or interest in it would be in any danger of being sold, forfeited or lost; or (iii) neither the Company nor the Agency, as a result of such contest, shall be in any danger of any civil or criminal liability. The Company hereby waives any claim or cause of action against the Agency, and releases the Agency from any liability to the Company arising from the denial of an exemption from Real Estate Taxes except to the extent that such denial results solely from the failure of the Agency to file the Exemption Application with the appropriate assessors or Board of Assessment Review by the Taxable Status Date.

B. Payee. For the term of this Agreement, the Company agrees to pay on January 30 of each year to the Agency at 7234 Route 54, P.O. Box 393, Bath, New York 14810, or at such other address as shall be designated from time to time by the Agency, on behalf of the Affected Tax Jurisdictions and as a payment in lieu of taxes, **commencing on or before January 30, 2018**, an amount equal to the Total PILOT Payment. The Total PILOT Payment shall be calculated as described on Schedule A.

The parties agree and acknowledge that payments made hereunder are to obtain revenues for public purposes, and to provide a revenue source that the Affected Tax Jurisdictions would otherwise lose because the subject parcels are not on the tax rolls.

1.2 Allocation. The Agency shall remit to the Affected Tax Jurisdictions amounts received hereunder within thirty (30) days of receipt of said payment and shall allocate said payments among the Affected Tax Jurisdictions in the same proportion as ad valorem taxes

would have been allocated but for the Agency's involvement, unless the Affected Tax Jurisdictions have consented in writing to a specific allocation.

1.3 Tax Rates. For purposes of determining the allocation of the Total PILOT Payment among the Affected Tax Jurisdictions, the Agency shall use the last tax rate utilized for levy of taxes by each such jurisdiction. For County, Town, School and special district purposes, the tax rates used to determine the allocation of the Total PILOT Payment shall be the tax rates relating to the calendar year which includes the PILOT payment due date. For school district purposes, the tax rates used to determine the PILOT payment shall be the rate relating to the school year which includes the PILOT payment due date.

1.4 Valuation of Future Additions to the Facility: If there shall be a future addition to the Facility constructed or added in any manner after the date of this Agreement, the Company shall notify the Agency of such future addition ("Future Addition"). The notice to the Agency shall contain a copy of the application for a building permit, plans and specifications, and any other relevant information that the Agency may thereafter request. Upon the earlier of substantial completion, or the issuance of a certificate of occupancy for any such Future Addition to the Facility, the Company shall become liable for payment of an increase in the Total PILOT Payment if the Future Addition shall cause an increase in the assessed value of the Facility, as determined by the Agency or applicable tax assessor. The Agency shall notify the Company of any proposed increase in the Total PILOT Payment related to such Future Addition. If the Company shall disagree with the determination of assessed value for any Future Additions made by the Agency, then and in that event that valuation shall be fixed by a court of competent jurisdiction. Notwithstanding any disagreement between the Company and the Agency, the Company shall pay the increased PILOT payment until a different Total PILOT Payment shall be established. If a lesser Total Annual Payment is determined in any proceeding or by subsequent agreement of the parties, the Total PILOT Payment shall be re-computed and any excess payment shall be refunded to the Company or, in the Agency's sole discretion, such excess payment shall be applied as a credit against the next succeeding PILOT payment(s).

1.5 Period of Benefits. The tax benefits provided for herein should be deemed to include (i) the **2017-18** School tax year through the **2026-2027** School tax year, and (ii) the **2018** County and Town tax years through the **2027** County and Town tax years. This PILOT Agreement shall expire on **December 31, 2027**; provided, however, the Company shall pay the 2027-28 School tax bill and the 2028 County and Town tax bills on the dates and in the amounts as if the Agency were not in title on the tax status date with respect to said tax years. In no event shall the Company be entitled to receive tax benefits relative to the Facility for more than the periods provided for herein, unless the period is extended by amendment to this Agreement executed by both parties after any applicable public hearings. The Company agrees that, during the term hereof, it will not seek any tax exemption for the Facility which could provide benefits for more than the periods provided for herein and specifically agrees that the exemptions provided for herein, to the extent actually received (based on the number of lease years elapsed), supersede and are in substitution of the exemptions provided by Section 485-b of the New York Real Property Tax Law ("RPTL"). It is hereby agreed and understood that the Affected Tax Jurisdictions can rely upon and enforce the above waiver to the same extent as if they were signatories hereto.

Section II - Special District Charges, Special Assessments and Other Charges.

2.1 Special district charges, special assessments, and special ad valorem levies (specifically including but not limited to fire district charges), and pure water charges and sewer charges are to be paid in full in accordance with normal billing practices.

Section III - Transfer of Facility.

3.1 In the event that the Facility is transferred from the Agency to the Company (the lease/leaseback agreements are terminated), and the Company is ineligible for a continued tax exemption under some other tax incentive program, or the exemption results in a payment to the Affected Tax Jurisdictions in excess of the payment described in Section I herein, or this Agreement terminates and the Facility is not timely transferred back to the Company, the Company agrees to pay no later than the next tax lien date (plus any applicable grace period), to each of the Affected Tax Jurisdictions, an amount equal to the taxes and assessments which would have been levied on the Facility if the Facility had been classified as fully taxable as of the date of transfer or loss of eligibility of all or a portion of the exemption described herein or date of termination.

Section IV - Assessment Challenges.

4.1 The Company shall have all of the rights and remedies of a taxpayer as if and to the same extent as if the Company were the owner of the Facility, with respect to any proposed assessment or change in assessment with respect to the Facility by any of the Affected Tax Jurisdictions and likewise shall be entitled to protest before and be heard by the appropriate assessors or Board of Assessment Review, and shall be entitled to take any and all appropriate appeals or initiate any proceedings to review the validity or amount of any assessment or the validity or amount of any tax equivalent provided for herein.

4.2 The Company shall have all of the rights and remedies of a taxpayer with respect to any tax, service charge, special benefit, ad valorem levy, assessment, or special assessment or service charge in lieu of which the Company is obligated to make a payment pursuant to this Agreement, as if and to the same extent as if the Company were the owner of the Facility.

4.3 The Company shall (i) permit the appropriate real estate tax assessment office and tax levy officers to assess the Facility and apply tax rates to the respective assessments as if the Facility were owned by the Company, (ii) file any accounts or tax returns required by the appropriate real estate tax assessment office and tax levy officers.

Section V - Changes in Law.

5.1 To the extent the Facility is declared to be subject to taxation or assessment by an amendment to the Act, other legislative change, or by final judgment of a Court of competent jurisdiction, the obligations of the Company hereunder shall, to such extent, be null and void.

## Section VI - Events of Default.

6.1 The following shall constitute "Events of Default" hereunder. The failure by the Company to: (i) make the payments described in Section I within thirty (30) days of the Payment Date (the "Delinquency Date"); (ii) make any other payments described herein on or before the last day of any applicable cure period within which said payment can be made without penalty; or (iii) the occurrence and continuance of any events of default under the Leaseback Agreement after any applicable cure periods. Upon the occurrence of any Event of Default hereunder, in addition to any other right or remedy the Agency and/or the Affected Tax Jurisdictions may have at law or in equity, the Agency and/or Affected Tax Jurisdictions may, immediately and without further notice to the Company (but with notice to the Agency with respect to actions maintained by the Affected Tax Jurisdictions) pursue any action in the courts to enforce payment or to otherwise recover directly from the Company any amounts so in default. The Agency and the Company hereby acknowledge the right of the Affected Tax Jurisdictions to recover directly from the Company any amounts so in default pursuant to Section 874(6) of the General Municipal Law, and the Company shall immediately notify the Agency of any action brought, or other measure taken, by any Affected Tax Jurisdiction to recover any such amount.

6.2 If payments pursuant to Section I herein are not made by the Delinquency Dates, or if any other payment required to be made hereunder is not made by the last day of any applicable cure period within which said payment can be made without penalty, the Company shall pay penalties and interest as follows. With respect to payments to be made pursuant to Section I herein, if said payment is not received by the Delinquency Date defined in Section 6.1 herein, Company shall pay, in addition to said payment, (i) a late payment penalty equal to five percent (5%) of the amount due and (ii) for each month, or any part thereof, that any such payment is delinquent beyond the first month commencing on or after such Delinquency Date, interest on the total amount due plus the late payment penalty, in an amount equal to one percent (1%) per month. With respect to all other payments due hereunder, if said payment is not paid within any applicable cure period, Company shall pay, in addition to said payment, the greater of the applicable penalties and interest or penalties and interest which would have been incurred had payments made hereunder been tax payments to the Affected Tax Jurisdictions.

## Section VII - Assignment.

7.1 No portion of any interest in this Agreement may be assigned by the Company, nor shall any person other than the Company be entitled to succeed to or otherwise obtain any benefits of the Company hereunder without the prior written consent of the Agency, which shall not be unreasonably withheld or delayed.

## Section VIII - Miscellaneous.

8.1 This Agreement may be executed in any number of counterparts each of which shall be deemed an original but which together shall constitute a single instrument.

8.2 All notices, claims and other communications hereunder shall be in writing and shall be deemed to be duly given if personally delivered or mailed first class, postage prepaid, as follows:

To the Agency: Steuben County Industrial Development Agency  
7234 Route 54 North  
Bath, New York 14810-0393  
Attn.: James C. Johnson, Executive Director

With a Copy to: Harris Beach PLLC  
99 Garnsey Road  
Pittsford, New York 14534  
Attn.: Russell E. Gaenzle, Esq.

And To: Jeff Evans, Esq.  
Welch & Zink  
19 East Market Street  
Corning, New York 14830

To the Company: East Lake Holdings, LLC  
8805 State Rte. 415  
Campbell, New York 14821  
Attn.: C. Cameron Dunlap III

With Copy to: William Reed, Esq.  
11 Water Street  
Hammondsport, New York 14840

or at such other address as any party may from time to time furnish to the other party by notice given in accordance with the provisions of this Section. All notices shall be deemed given when mailed or personally delivered in the manner provided in this Section.

8.3 This Agreement shall be governed by, and all matters in connection herewith shall be construed and enforced in accordance with, the laws of the State of New York applicable to agreements executed and to be wholly performed therein and the parties hereto hereby agree to submit to the personal jurisdiction of the federal or state courts located in Steuben County, New York.

8.4 Notwithstanding any other term or condition contained herein, all obligations of the Agency hereunder shall constitute a special obligation payable solely from the revenues and other monies, if any, derived from the Facility and paid to the Agency by the Company. Neither member of the Agency nor any person executing this Agreement on its behalf shall be liable personally under this Agreement. No recourse shall be had for the payment of the principal or interest on amounts due hereunder or for any claim based upon or in respect of any modification of or supplement hereto against any past, present or future member, officer, agent, servant, or employee, as such, of the Agency, or of any successor or political subdivision, either directly or through the Agency or any such successor, all such liability of such members, officer, agents, servants and employees being, to the extent permitted by law, expressly waived and released by the acceptance hereof and as part of the consideration for the execution of this Agreement.

**[Signature Page to PILOT Agreement]**

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

**STEBEN COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY**

By:   
James C. Johnson, Executive Director

**EAST LAKE HOLDINGS, LLC**

By: \_\_\_\_\_  
Name:  
Title:

**[Signature Page to PILOT Agreement]**

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

**STEBEN COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY**

By: \_\_\_\_\_  
James C. Johnson, Executive Director

**EAST LAKE HOLDINGS, LLC**

By:  \_\_\_\_\_  
Name: *C. Cameron Dunlap*  
Title: *Member*

**SCHEDULE A**  
**TO PILOT AGREEMENT DATED AS OF MARCH 1, 2015, BY AND BETWEEN**  
**STEBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY**  
**AND**  
**EAST LAKE HOLDINGS, LLC**

The Total PILOT Payment shall be an amount equal to the aggregate of (i) the current assessed value of the Land and existing improvements thereon prior to demolition thereof (fixed for the term hereof at \$317,500) multiplied by the then current tax rate (full taxes to be paid with respect to the existing improvements thereon prior to demolition (each assessed value being \$317,500)); plus (ii) the assessed value of the Facility multiplied by the then current tax rate (after application of any applicable equalization rate) multiplied by the percentage abatement below:

<u>Year No.</u>	<u>School Tax Year</u>	<u>County and Town Tax Year</u>	<u>Percentage Abatement (applied only to Facility not existing \$317,500 assessment)</u>
1	2017/2018	2018	90%
2	2018/2019	2019	80%
3	2019/2020	2020	70%
4	2020/2021	2021	60%
5	2021/2022	2022	50%
6	2022/2023	2023	40%
7	2023/2024	2024	30%
8	2024/2025	2025	20%
9	2025/2026	2026	10%
10	2026/2027	2027	0%

The Facility shall be subject to full ad valorem taxation commencing with the 2027/2028 School and 2028 County/Town tax years.

# East Lake Holdings PILOT Extension

## Steuben County IDA PILOT Assessment

Existing Assessment	\$317,000
Urbana Tax Rate/\$1000	\$6.05
County Tax Rate/\$1,000	\$5.53
Hammondsport School District	\$10.42
Total Tax Rate/1000	\$22.00

### Current Taxes

Town Tax Payment	\$1,918
County Tax Payment	\$1,753
Hammondsport School District Payment	\$3,303
<b>Total Estimated Tax Revenue</b>	<b>\$6,974</b>

Proposed Additional Assessment	\$1,731,600
New Town Tax Payment	\$10,476
New County Tax Payment	\$9,576
New Hammondsport School District Payment	\$18,043
<b>Total Estimated New Revenue</b>	<b>\$38,095</b>

### Payment In Lieu of Tax Savings 10

#### Year Proposal With Current

Assessed Value and Tax Rates	\$57,143
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<b>Total 10 Year Incentive</b>	<b>\$57,143</b>
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### Current Remaining PILOT

Abatement Year	Current Taxes	New Without PILOT	Total Tax Liability	Proposed PILOT New	Total PILOT New + Existing	Savings
Year 5	\$6,974	\$38,095	\$45,069	\$19,048	\$26,022	\$19,048
Year 6	\$6,974	\$38,095	\$45,069	\$22,857	\$29,831	\$15,238
Year 7	\$6,974	\$38,095	\$45,069	\$26,667	\$33,641	\$11,429
Year 8	\$6,974	\$38,095	\$45,069	\$30,476	\$37,450	\$7,619
Year 9	\$6,974	\$38,095	\$45,069	\$34,286	\$41,260	\$3,810
Year 10	\$6,974	\$38,095	\$45,069	\$38,095	\$45,069	\$0
	\$41,844	\$228,571	\$270,415	\$171,428	\$213,272	\$57,143

### Proposed PILOT Extension

Abatement Year	Current	New	Total Tax Liability	Proposed PILOT	Total PILOT	Savings
Year 5	\$6,974	\$38,095	\$45,069	\$19,048	\$26,022	\$19,048
Year 6 (new)	\$6,974	\$38,095	\$45,069	\$19,048	\$26,022	\$19,048
Year 7	\$6,974	\$38,095	\$45,069	\$22,857	\$29,831	\$15,238
Year 8 (new)	\$6,974	\$38,095	\$45,069	\$22,857	\$29,831	\$15,238
Year 9	\$6,974	\$38,095	\$45,069	\$26,667	\$33,641	\$11,429
Year 10 (new)	\$6,974	\$38,095	\$45,069	\$26,667	\$33,641	\$11,429
Year 11	\$6,974	\$38,095	\$45,069	\$30,476	\$37,450	\$7,619
Year 12 (new)	\$6,974	\$38,095	\$45,069	\$30,476	\$37,450	\$7,619
Year 13	\$6,974	\$38,095	\$45,069	\$34,286	\$41,260	\$3,810
Year 14 (new)	\$6,974	\$38,095	\$45,069	\$34,286	\$41,260	\$3,810
Year 15	\$6,974	\$38,095	\$45,069	\$38,095	\$45,069	\$0
	\$76,714	\$419,047	\$495,761	\$304,762	\$381,476	\$114,286

**Additional Savings**

\$57,143



**RESOLUTION**

*(East Lake Holdings, LLC Project)*

A regular meeting of the Steuben County Industrial Development Agency was convened on Thursday, February 25, 2021.

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

**Resolution No. 02/2021 - \_\_\_\_\_**

RESOLUTION OF THE STEUBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY (THE "AGENCY") (i) APPROVING EXTENSION OF EXISTING PILOT BENEFITS AND (ii) AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS BY THE AGENCY IN CONNECTION WITH A CERTAIN PROJECT UNDERTAKEN AT THE REQUEST OF EAST LAKE HOLDINGS, LLC.

WHEREAS, by Title I of Article 18-A of the General Municipal Law of the State of New York (the "State"), as amended, and Chapter 178 of the Laws of 1972 of the State (collectively, the "Act"), the **STEUBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY** (the "Agency") was created with the authority and power to promote, develop, encourage and assist in acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing industrial, manufacturing, warehousing, commercial, research, and recreational facilities as authorized by the Act, and in connection therewith to enter into straight lease transactions and provide other forms of financial assistance; and

WHEREAS, pursuant to a resolution duly adopted by the Agency on March 27, 2014, the Agency appointed **EAST LAKE HOLDINGS, LLC** (the "Company") as its agent to undertake a certain project (the "Project") consisting of: (i) the acquisition by the Agency of a leasehold interest in an approximately 4.3-acre parcel of land located at 8440 State Route 54, Town of Urbana, New York (the "Land") and the approximately 85,000 square-foot building located thereon (the "Existing Improvements"); (ii) the demolition of the Existing Improvements and the construction on the Land of an approximately 42,000 square-foot, 60-room hotel and related amenities and improvements (the "Improvements"); and (iii) the acquisition and installation in and around the Improvements of certain items of equipment, machinery and other tangible personal property (the "Equipment", and collectively with the Land and the Improvements, the "Facility"); and

WHEREAS, in connection with the Project, the Company and the Agency entered into (i) a certain Lease Agreement, by and between the Company, as lessor, and the Agency, as lessee, dated as of March 1, 2015 (the "Lease Agreement"), (ii) a certain Leaseback Agreement, by and between the Agency, as sublessor, and the Company, as sublessee, dated as of March 1, 2015 (the "Leaseback Agreement"), and (iii) a certain Payment-in-Lieu-of-Tax Agreement, by and between the Agency and the Company, dated as of March 1, 2015 (the "Tax Agreement"); and

WHEREAS, due to the unprecedented economic impact caused by the COVID-19 Pandemic, the Company has requested the Agency extend the term of the Tax Agreement for a period of five (5) years or such other duration as approved by the Executive Director of the Agency;

WHEREAS, the Agency desires to adopt a resolution authorizing the negotiation, execution and delivery by the Agency of a certain first amendment to Tax Agreement (the "First Amendment to Tax Agreement") and related documents, all for the purpose of providing the Company with a five (5) year extension of the Tax Agreement or such other duration as approved by the Executive Director of the Agency.

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

Section 1. It is the policy of the State to promote the health, economic welfare, recreation opportunities and prosperity of its inhabitants and to actively promote, attract, encourage and develop recreation and economically sound commerce and industry for the purpose of preventing unemployment and economic deterioration. It is among the purposes of the Agency to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of certain facilities, including commercial facilities, and thereby advance the job opportunities, health, general prosperity and economic welfare of the people of the State and to improve their recreation opportunities, prosperity and standard of living.

Section 2. The Agency hereby agrees to extend the term of the PILOT Agreement on the same terms and conditions as set forth therein except that the term thereof shall be extended for five (5) years or such other duration as approved by the Executive Director of the Agency.

Section 3. The Chairman, the Vice Chairman and/or the Executive Director of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the First Amendment to Tax Agreement and related documents.

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. This Resolution shall take effect immediately.

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

	<u><i>Yea</i></u>	<u><i>Nay</i></u>	<u><i>Absent</i></u>	<u><i>Abstain</i></u>
Mark Alger				
Scott VanEtten				
Anthony Russo				
Dean Strobel				
Christine Sharkey				
Michael Nisbet				
Michael Davidson				

The Resolutions were thereupon duly adopted.

**CERTIFICATION**  
*(East Lake Holdings, LLC Project)*

STATE OF NEW YORK                    )  
COUNTY OF STEUBEN                ) ss.:

I, the undersigned Secretary of the Steuben County Industrial Development Agency, DO HEREBY CERTIFY:

That I have compared the annexed extract of minutes of the meeting of the Steuben County Industrial Development Agency (the "Agency"), including the resolution contained therein, held on February 25, 2021, with the original thereof on file in the office 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 February, 2021.

\_\_\_\_\_  
Secretary



## **New York State Economic Development Council Legislative Overview and Summary**

### **FEDERAL LEGISLATION AND COVID PROPOSAL**

**COVID RESPONSE:** Congress passed a \$2 trillion COVID package in March of last year and another \$900 billion COVID relief package in December. Incoming President Biden has indicated that the passage of another COVID relief package is his first legislative priority.

Biden released the framework of his COVID relief proposal last week. Legislative language is being drafted but is not yet available. Republicans in the Senate have already indicated that the package is too expensive and have signals that they will oppose some of the provisions. With the filibuster still in place in the Senate need more than 60 votes to pass the package.

Provisions of importance that have been included in the Biden COVID response framework:

**State and Local Aid:** \$350 billion in emergency funding for state, local, and territorial governments to “ensure that they are in a position to keep front line public workers on the job and paid, while also effectively distributing the vaccine, scaling testing, reopening schools, and maintaining other vital services”. (\$3 billion of this to the Economic Development Administration (EDA). Details/formula for the distribution of this aid still to be announced.

**Renter Assistance Program:** adds \$30 billion to the \$25 billion provided under the omnibus package passed at the end of the year in rental and *critical energy* and water assistance for hard-hit individuals and families. ***Importantly the proposal specifies that \$5 billion of these funds should be earmarked to cover home energy and water costs and arrears through programs like the Low-Income Home Energy Assistance Program (LIHEAP).***

Note: The U.S. Department of Treasury guidance was released today (1/19) and defines “utilities” to include “separately-stated electricity, gas, water and sewer, trash removal and energy costs, such as fuel oil”- but **NOT** telecommunication services (telephone, cable, Internet). Utilities covered by the landlord within rent will be treated as rent. The guidance also clarified that grantees could structure a program to provide less than full coverage of arrears and specifies that grantees should structure programs to “best minimize any incentives for the non-payment of rent or utilities by potential beneficiaries of the program.” Finally, (importantly) the guidance also clarifies that a grantee does not need to provide assistance with respect to rent in order to provide assistance with respect to utility or energy costs.

NYAPP will be continuing outreach to the Office of Temporary and Disability Assistance (OTDA) and the individual counties and Social Service offices to advocate for programs/guidance that provide access to the funds for utility payment arrearages.

**Extension Mandatory Paid Sick/Family Leave:** *extends* mandatory paid sick and family leave another **14 weeks and expand the requirement to allow workers to take time off from work to get a COVID-19 vaccination. The proposal would (importantly), reimburse state and local governments for the cost of this leave.**

**Disaster Relief Fund:** adds \$30 billion into the Disaster Relief Fund. ***Provides 100% federal reimbursement for critical emergency response resources to states, local governments, and Tribes, including deployment of the National Guard.*** (This provision is a priority for public power).

**Additional \$1400 per/person relief check (bringing the total payment to \$2000) for those eligible.**

**Expand/Extend Unemployment:** Extend unemployment insurance benefits through September 2021; expand benefit with \$400 per-week unemployment insurance supplement.

**Infrastructure Package: (“Build Back Better”):** The second major legislative package discussed by the incoming Administration would likely be considered later in the Congressional session (spring) but is characterized as a \$2 trillion tax and infrastructure package. This package could include multiple public power tax priorities (including reinstatement of the ability to issue tax-exempt advance refunding bonds; an increase in the small issuer exception from \$10 million to \$30 million (this is the Rep. Reed bill), and provision of comparable incentives if there is an extension or expansion of energy-related tax credits) as well as infrastructure funding opportunities.

**Climate/Environment/Energy Executive Orders:** The incoming Biden Administration has specified that there will be a number of Executive Orders (EOs) that will be issued by the President soon after he takes office. EOs expected that relate to Climate/Environment/Energy EOs include the rescission of the cross-border permit for TC Energy's Keystone XL pipeline and the U.S. rejoining the Paris Climate Agreement.

Other EOs that have been discussed include:

- Requiring aggressive methane pollution limits for new oil and gas operations.
- Requiring the federal government procurement system to move towards 100% clean energy and zero-emissions vehicles.
- Ensuring that all US government installations, buildings, and facilities are more efficient and climate-ready, (using federal purchase power and supply chains to drive innovation.
- Reducing greenhouse gas emissions from transportation by preserving and implementing the existing Clean Air Act and developing rigorous new fuel economy standards.
- New, aggressive appliance and building efficiency standards.
- Requiring that federal infrastructure investment reduces climate pollution and requiring federal permitting decisions to consider the effects of greenhouse gas emissions and climate change.

- Requiring public companies to disclose climate risks and the greenhouse gas emissions in their operations and supply chains.

Protecting biodiversity, slowing extinction rates and helping leverage natural climate solutions  
 Conserving 30% of America's lands and waters by 2030.

### **STATE OF THE STATE PROPOSALS**

#### **Proposal. Convene a Commission on the Future of New York's Economy**

While the COVID-19 crisis poses a historic challenge to the vitality of our cities and our economy, there is an opportunity in this crisis – an opportunity to reimagine urban life, build back better, and set an example for other cities across the country, and around the world. Just as New York established a national model for flattening and then bending the curve — going from the worst infection rate in the country to one of the best and saving countless lives — New York will lead the path forward for economic revitalization across the country and the world.

Many challenges are facing America's economy, particularly for cities. Each of these issues is complex, and each requires an immediate action plan to make progress now as well as longer-term strategies. While the 2021 State of the State agenda proposes near-term steps to support and rejuvenate our cities, more work is needed to develop longer-term strategies.

Governor Cuomo will establish the Commission on the Future of New York's Economy comprising leading members of the nation's academic, business, labor, and civil society leaders, and NYU Wagner School of Public Service Dean Sherry Glied will serve as Executive Director of this Commission.

The Commission will draw the roadmap to address the inequities exposed by the COVID-19 crisis — including the socio-economic disparities that the crisis exacerbated — get New York back to work in jobs that pay well and continue to attract people from around the world to live and work in New York.

#### **Proposal. Codify and Expand Commonsense COVID- Era Reforms**

These changes were successful and relevant in a post-COVID world; New York should not just go back to "business as usual." Governor Cuomo will advance legislation to codify commonsense COVID-era reforms for small businesses including:

- Online testing for occupational licenses. Under Governor Cuomo's leadership, access to State licensing examinations has already increased through the translation of examinations into a variety of languages. To further increase access and expedite the issuance of occupational licenses, the Department of State will transition from a paper-based examination format to online testing, and examinations will be instantaneously graded. Those who do not pass the examination will be provided with an assessment of the areas in which they performed poorly. This modernized process will make the exam and licensing process more efficient, less costly, and more consumer- friendly while increasing the number of occupational licenses issued by the State.
- Codify remote notarization. Governor Cuomo issued an Executive Order to permit remote notarization during the COVID-19 crisis, which has allowed critical transactions and business to continue in a socially distanced and efficient manner. The Governor will codify reforms that enable small businesses and other parties to sign documents remotely without the unnecessary step of being physically present to execute a document. This will reduce

the expense of travel and time while increasing security by allowing notaries the option to witness signatures by video and preserve an accurate record of the signing, which may reduce the likelihood of future litigation over the legitimacy of document signings.

- Authorize electronic service of process upon the Secretary of State, which in turn will enable the summons to be transmitted digitally to the entity being sued. Corporations and other business entities formed or authorized to do business in New York are required to designate the Secretary of State as agent for service of process. The Secretary receives approximately 130,000 summons annually, which must be promptly sent by certified mail to the business entity being sued. The manual process is inefficient and creates risks that the entity will not receive timely notice of the pending litigation, if at all. Staffing shortages, loss of a paper summons by the U.S. Postal Services, and inaccurate mailing addresses contribute to the risk of a default judgment being entered against the business entity.

### **Proposal. Leverage the Expertise of the Regional Economic Development Councils to Invest in a Statewide Recovery**

- Over the past 10 years, Governor Cuomo's Regional Economic Development Councils (REDCs) have revitalized the state's economy through a bottom-up, community-based, and performance-driven approach to economic development. The State has seeded this effort,
- Over the past 10 years, Governor Cuomo's Regional Economic Development Councils (REDCs) have revitalized the state's economy through a bottom-up, community-based, and performance-driven approach to economic development. The State has seeded this effort, investing nearly \$7 billion in funding to more than 8,300 projects and supporting nearly 250,000 jobs statewide. In the wake of the COVID-19 emergency, the REDCs have played and will continue to play a critical role in the state's recovery.
- This year, New York State will leverage the expertise of the REDCs to invest \$750 million in strategic, regional efforts to drive the recovery in every corner of the state.

### **Proposal. Train Workers for High-Growth Sectors**

- Governor Cuomo has been a leader in workforce development programs through the creation of the statewide Office of Workforce Development, and the historic \$175 million Workforce Development Initiative. He also made college more affordable for New Yorkers through the nation-leading Excelsior Program. Under his leadership, New York State has connected an unprecedented number of workers to jobs and provided no-cost recruitment services to tens of thousands of businesses each year.<sup>48</sup>
- New York's approach to workforce development is based on three core principles. First, programming must be employer-driven. Workforce development must provide skills that match available jobs and correspond with employers' needs and preferences. Second, workforce development must be outcome-driven. The metric for success is not the number of people trained but the number of people employed, receiving increased wages, and promoted. And third, workforce development must be flexible and respond nimbly to a rapidly changing environment.
- The COVID-related recession has magnified the need for flexibility. Along with an unprecedented increase in unemployment, the pandemic has caused a massive shift in the type of jobs available and in who is looking for work. Even before this recession, job seekers' expectations were substantively changing, and employers were placing increasing value on credentials along with or in place of degrees. The workforce development

landscape is out of line with traditional career services, and New York is responding accordingly.

**Proposal. Support Business-Led Retraining by Expanding the Employee Training Incentive Program**

Governor Cuomo has increased State higher education investments to record levels, launching the historic workforce \$175 million Workforce Development Initiative, and integrated workforce development as a key pillar of economic development through the Regional Economic Development Councils.

The public health emergency has resulted in a historic number of furloughed workers and has hindered out-of-school young New Yorkers' ability to obtain jobs. Furthermore, businesses are facing unprecedented challenges in training employees to return to work under difficult new circumstances. As New York builds back better, businesses must be supported in their efforts to continue operations and prepare furloughed, new, and existing employees for employment.

To aid in the economic recovery for New York's businesses and workers, Governor Cuomo will launch an expanded Employee Training Incentive Program (ETIP) which will make up to \$5 million available annually to support businesses in providing the training needed to prepare New Yorkers for high-quality jobs in growing career fields. As part of the Workforce Development Initiative and through Empire State Development, ETIP will provide tax incentives to New York businesses to provide training to newly hire unemployed or underemployed workers, upskill existing employees to support broader reemployment strategies, or provide internship opportunities to young New Yorkers. Through administrative changes, the State will maximize the allowable sectors able to participate, types of costs that can be credited to include support services and training costs and improve marketing outreach to companies to promote uptake. To ensure that ETIP funds are used on training projects that work to prepare individuals for good jobs, projects will be monitored for completion; hiring; wage levels; availability of benefits; and job retention and turnover.

**Proposal. \$26 Billion Public-Private Partnership to Build Nearly 100 Renewable Energy Projects**

New York's clean energy transformation has accelerated rapidly over the past five years. During this period, the State has contracted for the construction of 68 new large-scale renewable energy facilities. These projects include 52 solar farms and 13 onshore wind farms bringing economic activity to 34 different Upstate counties, along with three offshore wind farms that are among the largest in the nation. Forty-eight of these facilities are already in operation. In the aggregate, the solar, onshore wind, and offshore wind projects in contract will add 6,100 megawatts of clean energy capacity to the state's infrastructure and generate investment of more than \$12 billion.

Building on this progress, in 2021 New York will contract for another 24 large-scale renewable energy generation projects Upstate — 23 solar farms and one hydroelectric facility. These facilities will produce more than 2,200 megawatts of clean power. They will bring substantial economic activity to 16 different Upstate counties, generate more than \$2.9 billion of investment and create 3,400 pre-development, construction, operations, and maintenance jobs. These new facilities will bring the State's total clean energy build-out to nearly 100 projects.

**Proposal. Build 40 New Community Solar Projects for Local Governments to Create 1,250 Jobs**

Participation in distributed solar projects, however, remains particularly difficult for local governments. The long development timelines and uncertain future revenues of community solar

projects mesh poorly with localities' budgetary and approval processes. To address these issues, NYPA will assist municipal government entities throughout the full process of project development — from scoping, design, and purchasing to execution, project management, and close-out — to host community distributed generation (CDG) projects and serve as anchor subscribers. Placing community solar on government buildings and land mitigates the challenges government entities have faced in adopting distributed energy resources (DER) while also providing for the ability to support clean energy generation in low-income communities. As project hosts, local governments can build a distributed solar system on their property at no cost while also earning a long-term revenue stream and guaranteeing long-term utility bill savings. By 2025, NYPA projects this program will support at least 40 community solar projects totaling 75 megawatts of renewable capacity, including 15 megawatts of paired storage. These projects will spur more than \$135 million in direct, private investments toward their development, construction, and operation, and create more than 1,250 short-term and long-term jobs.

### **Proposal. Make New York a Global Wind Energy Manufacturing Powerhouse**

The State has secured commitments from the companies building the new offshore wind farms to locate significant manufacturing activity in New York. These investments will include:

- Creating the nation's first wind tower- manufacturing facility at the Port of Albany to service both onshore and offshore wind projects across the region by producing 150 towers annually. This will create 500 construction jobs and employ 300 highly-skilled, full-time workers;
- Establishing an offshore wind turbine staging facility and operations and maintenance hub at the South Brooklyn Marine Terminal, creating 1,000 short term jobs and 200 long term jobs in Sunset Park;
- Increasing use of the Port of Coeymans for cutting-edge turbine foundation manufacturing; and • Buttressing the ongoing operations and maintenance out of Port Jefferson and Port of Montauk Harbor to give New York five wind industry-focused ports, more than any other state.

All of these Port facilities will be under development within 18 months and will leverage almost \$3 of private funding for every \$1 of public funding, for a combined \$644 million investment in Port facilities. These investments alone will ultimately yield 2,600 short- and long-term jobs in the offshore wind industry.

### **Proposal. Continue Job-Creating Investments Across the State**

Throughout 2021, Governor Cuomo will continue his commitment to improving Upstate infrastructure, bringing forward the best of what the state has to offer.

- **Bay Park reconstruction:** In the aftermath of Superstorm Sandy, the Governor directed \$830 million in funding for the reconstruction of Nassau County's Bay Park wastewater treatment plant, including flood resiliency measures to withstand the 500-year level storm. Additionally, the State is working with Nassau County on the \$439 million Bay Park Conveyance Project to reduce nitrogen pollution by more than 50 percent and to connect the plant to an existing ocean outfall. This \$1.2 billion-plus investment will result in dramatic improvements in the water quality while stemming the rapid degradation of the marsh islands that provide a natural barrier of flood protection for southern Nassau County. In 2021, construction will begin on the Bay Park outflow system.
- **Historic settlement to clean up the Grumman Plume:** New York is taking historic steps to protect Long Island's water quality and the communities that depend on it with the

cleanup and full containment of the Navy-Grumman plume in Bethpage. In 2020, New York secured agreements with the U.S. Navy and Northrop Grumman to perform the \$406 million cleanup and containment project. In addition, Northrop Grumman agreed to New York's largest-ever Natural Resource Damages settlement, which will invest \$104.4 million to protect and restore Long Island's aquifer. Work is already underway and will continue under stringent State oversight until the job is done, ensuring the polluters continue to pay for an effective cleanup using the best technology available for one of the most complex groundwater remediation projects in the country.

- **Complete the Belmont Arena:** The Belmont Park Redevelopment is replacing 43 acres of underutilized parking lots with the 19,000-seat UBS Arena that will bring the New York Islanders hockey team back home to Long Island, and include a world-class retail village, and a new hotel. New York Arena Partners is leading the 350,000-square-foot development, bringing \$1.3 billion in private investment to the 115-year-old horse-racing facility. The project also includes the renovation of two nearby community parks, new community space, and the first new LIRR train station in 40 years, benefitting Elmont residents as well as visitors to the new entertainment and retail destination. Construction is well underway, with completion of the arena slated for the 2021- 2022 NHL season and east-bound LIRR service to open in fall 2021. In total, this project will create more than 12,000 direct and indirect jobs throughout construction and once completed.
- **Reimagine the Buffalo Skyway:** Governor Cuomo initiated a large-scale planning and design effort to maximize waterfront access and free up to 45 acres for development through the removal of the Skyway Bridge in downtown Buffalo and transform it into a spectacular park. New York State will complete the environmental review process this year, and with federal approval will be ready to break ground this year.
- **Convert the Albany Skyway into a new linear park:** Through an \$11.4 million partnership with the City of Albany, the State is converting an underutilized interstate exit ramp into an iconic linear park with a landscaped promenade, event spaces, and an accessible shared-use path connecting downtown Albany with the Arbor Hill and Sheridan Hollow neighborhoods, Albany's warehouse district, and the Corning Riverfront Park. Construction will be completed this year.
- **Complete Olympic Sports Complex at Mt. Van Hoevenberg:** The State will complete the new \$72 million year-round Olympic Sports Complex this winter, including the 55,000 square-foot Mountain Pass Lodge; a 30-point biathlon range and 5 kilometers of Nordic trails with a 3-million- gallon snowmaking reservoir; and the Cliffside Coaster. These state-of-the-art facilities will attract world-class and amateur athletes for training, competition, and recreation.
- **New Whiteface Mid-Station Lodge:** Following a devastating fire in November 2019, Whiteface Mountain has opened a newly rebuilt \$14 million mid-station lodge for the 2020-21 ski season. A full kitchen-service restaurant in the lodge will follow next season.
- **Resiliency and Economic Development Initiative (REDI):** As part of the State's ongoing response to record flooding that hit Lake Ontario and St. Lawrence River shoreline communities during spring and summer of 2019, Governor Cuomo created the REDI Commission to strengthen infrastructure and mitigate the impacts of future flooding while bolstering the region's local economies. The State has committed up to \$300 million to rebuild the shoreline, as well as improve resilience in flood- prone regions along the lake. In

2020, all 133 awarded REDI municipal infrastructure projects were underway, with 111 projects in the design phase, 11 projects in the construction phase, and 11 projects completed. In addition, 2020 marked the identification of twenty sites to be dredged under the Regional REDI Dredging Project, and four locations have been completed to date. Additionally, 140 businesses were awarded Lake Ontario Business Resiliency Program grants from Empire State Development to build back smarter and stronger in the face of climate change. 2021 will herald significant milestones for REDI projects, with 104 municipal infrastructure projects and 15 dredging project locations slated to break ground, while another 64 REDI municipal infrastructure projects and 16 dredging project locations are anticipated to complete construction.

- **Continue investments in clean water infrastructure:** This year, the Executive Budget will continue historic funding levels at \$300 million for the Environmental Protection Fund to protect our critical resources and the communities that depend on them. Additionally, \$500 million will be appropriated to support critical water infrastructure projects across the state, following through on the Governor's commitment to an additional \$2.5 billion to secure clean water, doubling the funding from the Clean Water Infrastructure Act. The historic investment in critical environmental programs, drinking water infrastructure, wastewater infrastructure, and source water protection will enhance community health and wellness, safeguard the state's most important water resources, and create jobs.
- **Complete and open LEGOLAND:** With the support of nearly \$26 million from New York State, in 2021 Merlin Entertainment will complete construction and open its 150-acre LEGOLAND theme park in Orange County. This \$420 million investment will draw tourists back to New York after the pandemic and is anticipated to create approximately 1,000 jobs.
- **Key progress on ROC the Riverway:** The Riverway Rochester redevelopment project, supported by a \$50 million New York State investment, will achieve several key milestones in 2021 with more than half its projects reaching completion, including the expansion of the Blue Cross Arena Exchange Expansion and the West River floodwall projects, as well as the continued construction of the major overhaul to Charles Carrol Park.
- **Complete the Skydome drone testing facility:** This year New York will complete the transformation of a previously-unoccupied hanger at the Griffiss International Airport into the Skydome, a one-of-a-kind aerial drone research and testing facility, putting the Mohawk Valley at the global center of this growing industry.
- **Grow Long Island's biotech hub:** New York State has made several investments in strengthening Long Island as global hub for biotech. Together, these projects represent groundbreaking public private partnerships and locally employ more than 18,000 people. In 2021, key progress will be made on 3 fronts: Stony Brook University will open its new \$60 million, 68,000 square-foot Innovation and Discovery Center; the Feinstein Institute of Medical Research in Manhasset will complete construction of a \$30 million, 20,000 square-foot bioelectronic medicine research facility; and Brookhaven National Labs, after being selected as by the U.S. Department of Energy as the site of the world's first next-generation Electron-Ion Collider, will continue work on the project, an approximately \$2 billion investment in partnership with the federal government.

## **EXECUTIVE BUDGET PROPOSALS**

## **Authorize Mortgage Insurance Fund (MIF) and Housing Finance Agency Resources (HFA) Utilization**

Purpose: This bill would provide utilization of \$63.4 million projected to be available in the MIF excess balance and/or reserves, and \$65.6 million of available resources from HFA, one of the Homes and Community Renewal's (HCR) public authorities.

Summary of Provisions: The MIF, a fund of the State of New York Mortgage Agency (SONYMA), was created in 1978 to insure mortgage loans for projects that would not otherwise be able to obtain mortgage insurance, thereby encouraging the commercial and public investment of mortgage capital and increasing the supply of affordable housing in New York State.

The SONYMA statute requires excess revenues from the MIF, after expenses and the required reserves, be returned to the State following SONYMA Board approval. The MIF has been previously used to support new housing development and to provide relief for budgetary deficits; in the FY 2021 Budget, excess revenues were used for community development and other programs.

The MIF is currently projected to have \$63.4 million comprised of (i) excess revenues through FY2021 and (ii) reserves that can be accessed without negatively impacting the MIF's credit rating. As set forth in sections 1 through 3 of the bill, these funds would be used to support the following programs:

- Neighborhood and Rural Preservation Programs (\$18.2 million), which support community-based housing corporations across the State that provide various housing related services for low- and moderate-income populations; and
- Homeless housing programs (\$45.2 million), including the Solutions to End Homelessness Program, the New York State Supportive Housing Program, and the Operational Support for AIDS Housing Program.

## **Encourage Part-Time Work through Partial Unemployment Insurance Benefits**

Purpose: This bill would change the calculation for Unemployment Insurance (UI) benefits paid to claimants who work part-time while they seek full-time employment.

Summary of Provisions: New York State's current unemployment system discourages claimants from supplementing their income by working part-time while collecting benefits. Currently, a claimant's weekly UI benefit is reduced by 25 percent for each day worked, regardless of the amount paid or hours worked. As a result, there is a disincentive for workers to try to return to the workforce through part-time work which can otherwise serve as a bridge to full-time employment. This proposal would permit a claimant who is partially unemployed and eligible for benefits to be paid a reduced benefit amount equal to the difference between the claimant's benefit amount and that part of the claimant's wages for such week in excess of one hundred dollars or forty percent of the claimant's weekly benefit amount, whichever is greater. If the partial benefit amount is not a multiple of one dollar, the amount would be reduced to the nearest lower full dollar amount.

Budget Implications: Enactment of this bill is necessary to implement the FY 2022 Executive Budget as it will allow the Department of Labor to create systems changes to enact a partial unemployment system to continue to incentivize unemployed New Yorkers to assume a part-time job as they search for full-time work.

## **Extend Prevailing Wage to Covered Renewable Energy Projects**

Purpose: This bill would create prevailing wage requirements for covered renewable energy projects, defined as construction work and engineering and consulting services performed in connection with either the installation of a renewable energy system, as such term is defined in

section 66-p of the public service law, with a capacity over 25 megawatts alternating current and with a total project cost of over ten million dollars; or the installation of a solar energy system with a capacity over 5 megawatts alternating current and with a total project cost of over five million dollars.

### **Authorization for transfers, temporary loans, and amendments to miscellaneous capital/debt provisions, including bond caps**

Purpose: This bill would provide the statutory authorization necessary for the administration of funds and accounts included in the fiscal year 2021-22 Executive Budget and propose certain modifications to improve the State's General Fund position in the upcoming fiscal year. Specifically, it would: (1) authorize temporary loans and the deposits of certain revenues to specific funds and accounts, (2) authorize the transfers and deposits of funds to and across various accounts, (3) extend various provisions of Chapter 59 of the Laws of 2019 in relation to capital projects and certain certifications, and (3) modify various debt and bond provisions necessary to implement the budget.

### **Regional Economic Development Councils**

Purpose: This proposal will continue targeted investments through a competitive process across New York States ten economic development regions.

Summary or Provisions: The Executive Chamber proposes an eleventh round of \$750 Million to be awarded through the Consolidated Funding Application (CFA).

### **Empire State Development Corporation Loan Powers Extender**

Purpose: This bill would extend loan issuance powers for the Empire State Development Corporation (ESDC) for 3 years.

Summary of Provisions: Extends the sunset for ESDC's ability to make loans until July 1, 2024.

### **Economic Development Fund Extender**

Purpose: This bill would extend Empire State Development Corporation's (ESDC) ability to implement the Economic Development Fund for 3 years.

Summary of Provisions: Extends the sunset for ESDC's ability to implement the Economic Development Fund to July 1, 2024.

### **Extension of Brownfield Credits**

Purpose: This bill would allow certain developers within the brownfield cleanup program, and adversely impacted by the COVID-19 pandemic, additional time to complete redevelopment of these sites.

Summary of Provisions: This proposal would extend by two years the allowable period for which the tangible property credit component of the brownfield tax credit is allowed. This extension is for projects whose original 10-year allowable period either expired, or is set to expire, between March 20, 2020 and December 31, 2021.

### **Consolidation of the Centers of Excellence into the Centers for Advanced Technology program.**

Purpose: This bill would eliminate the Centers of Excellence (COE) program, effective April 1, 2023. This bill would also, for a period of two years, designate currently funded COEs as temporary Centers for Advanced Technology (CATs), with the opportunity to become full CATs through the normal application process. This change will allow for administrative efficiencies through a full merger of these two nearly identical programs.

Summary of Provisions: This bill would repeal Section 410 of the Economic Development Law, effective April 1, 2023. This bill would amend section 3102-b of the Public Authorities Law to allow designated COEs to apply for designation as CATs while simultaneously designating them as CATs on a temporary 2-year basis.

### **Expands DASNY's design and construction and loan services to Not for Profits and School Districts**

Purpose: This bill would make not for profits and school districts eligible to utilize DASNY's loan, design and construction services for capital projects over \$5 million. Further extends DASNY's loan services for working capital to not for profits and school districts for the duration of the COVID-19 pandemic.

Summary of Provisions: Amends Section 1678 of the public authorities law to give DASNY authority to offer loan, design and construction services to not for profits and school districts for capital projects greater than \$5 million. Further authorizes DASNY to provide loans for working capital to not for profits and school districts for the duration of the COVID-19 pandemic.

### **Enact the Pandemic Recovery and Restart Program**

Purpose: This bill would establish the Pandemic Recovery and Restart Program that will provide critical assistance in getting workers in the severely impacted food service and entertainment industries back to work.

Summary of Provisions: Part A of the bill would add a new Article 24 to the Economic Development Law to establish the Small Business Return-to-Work Tax Credit Program.

While the State's total unemployment insurance recipients have decreased since the start of the pandemic, there is more action for New York to take to return workers to the workplace. In order to help encourage businesses to welcome back recently laid-off workers, New York State proposes to launch the Small Business Return-to-Work Tax Credit Program.

The refundable tax credit would be available to small businesses that have experienced year-to-year revenue or job losses of 40% or more, in qualifying industries. Small businesses that increase their employment will be eligible for a tax credit of \$5,000 for each net full-time equivalent position added, up to a maximum cap of \$50,000 per business. By reducing the costs on small businesses of returning New Yorkers to work, the State can continue on the path of reinvigorating the economy and supporting both workers and small businesses statewide.

The amount of credit under this program would be capped at \$50 million and would be administered by the Department of Economic Development.

This bill part would also add a new Tax Law § 45 and amend Tax Law §§ 210-B and 606 to make applicable the tax credit to the corporation franchise tax and personal income tax under Tax Law Articles 9-A and 22.

Finally, this bill part would amend Labor Law § 537(3) to allow unemployment insurance information sharing between the Department of Labor and Department of Economic Development relevant to determining eligibility for the tax credit.

Part B of the bill would add a new Article 25 to the Economic Development Law to establish the Restaurant Return-to-Work Tax Credit Program.

Due to their heavy reliance on in-person dining and the associated difficulties of adapting their business activities to current public health conditions, restaurants have been another economic sector that has particularly suffered as a result of the COVID-19 pandemic.

This refundable tax credit would be available to small, independently owned restaurants that are located within New York City, which was subject to a ban on indoor dining for over six months, or outside of New York City in areas that were designated as a red or orange zone for at least 30 days. As with the Small Business Return-to-Work Tax Credit Program, this refundable tax credit would be available only to restaurants that have experienced year-to-year revenue and/or job losses of 40% or more, and restaurants that increase their employment will be eligible for a tax credit of \$5,000 for each net fulltime equivalent position added, up to a maximum cap of \$50,000 per business. Taxpayers receiving tax credit certificates prior to November 15, 2021 would have the option to request an advance payment of this credit from the Department of Taxation and Finance.

The amount of credit under this program would be capped at \$50 million and would be administered by the Department of Economic Development.

Part C of the bill would add a new section 24-c to the Tax Law to establish the New York City Musical and Theatrical Production Tax Credit.

Under the credit program, a qualified musical and theatrical production company, which produces a musical or theater production in New York City and spends at least \$1 million dollars in qualified production expenditures on the production, would be eligible to claim a refundable tax credit equal to 25% of the sum of its production expenditures incurred by December 31, 2021, not to exceed \$500,000 per production company. The amount of credit under this program would be capped at \$25 million and would be administered by the Department of Economic Development.

### **Promote the Development of Renewable Energy Projects**

Purpose: This bill would amend the real property tax law and general municipal law in relation to establishing a standardized approach for real property tax assessment for solar and wind infrastructure.

Summary of Provisions: This bill would extend the existing real property tax exemption for renewable energy projects to continue to meet the clean energy goals established under the Climate Leadership and Community Protection Act and provide appropriate and fair property taxation for wind and solar projects that are uniform across the State. The bill would establish a process for creating a standard methodology for the assessment of wind and solar projects that facilitates meeting New York's aggressive carbon reduction goals, while still leaving municipalities the flexibility to negotiate Payments in Lieu of Taxes (PILOT) agreements. The great majority of projects reimburse municipalities and school districts through PILOT agreements.

The option to exempt solar and energy systems from real property taxes has helped to spur the development of renewable energy across New York State and contributed to reductions in harmful

emissions while promoting economic development and creating thousands of good paying jobs. The extension contemplated in this bill would provide assurance to developers of renewable energy projects that the option for a real property tax exemption will exist well into the future, while also clarifying the responsibilities of the developer and the local taxing jurisdiction.

This bill would also delineate how a local jurisdiction will be notified of construction of a renewable project and the amount of time to require a PILOT agreement. These additions to the law provide surety and a guarantee of fair play for both the taxing jurisdiction and the project developer.

### **Extend the Economic Transformation and Facility Redevelopment Program Tax Credit for Five Years**

Purpose: This bill would extend the Economic Transformation and Facility Redevelopment Program tax credits for an additional five years.

Summary of Provisions: The Economic Transformation and Facility Redevelopment Program tax credits allowed under Tax Law § 35 are currently scheduled to expire December 31, 2021. Section 1 of this bill would extend this program by five years until December 31, 2026.

The tax credits are currently available for closed facilities as defined in Economic Development Law § 400(11), including correctional facilities selected by the Governor for closure by March 31, 2021. This bill would amend the definition to include correctional facilities selected by the Governor for closure by March 31, 2026.