

FULTON COUNTY INDUSTRIAL DEVELOPMENT AGENCY

TUESDAY
AUGUST 11, 2020
8:00 A.M.

PLANNING DEPARTMENT CONFERENCE ROOM

MEETING NOTES

PRESENT ON CONFERENCE CALL:

DAVE D'AMORE, CHAIRMAN
JOE SEMIONE, VICE CHAIRMAN
TODD RULISON, TREASURER
JOE GILLIS, MEMBER
MIKE FITZGERALD, MEMBER
JAMES MRAZ, EXECUTIVE DIRECTOR
KARA LAIS, FITZGERALD, MORRIS, BAKER, FIRTH PC
SCOTT HENZE, PLANNING DIRECTOR
KENT KIRCH, FULTON COUNTY CENTER FOR REGIONAL GROWTH
JOHN BLACKMON, LIAISON, ECONOMIC DEVELOPMENT AND ENVIRONMENT
COMMITTEE
KEITH SANDOR, PRESIDENT, NEXUS RENEWABLES
MICK MULLINS, MULLINS REALTY
JEFF D'AMORE, CUSHMAN WAKEFIELD
MIKE SAMPONE, CUSHMAN WAKEFIELD

I. ROLL CALL:

	Aye	Nay	Abstain	Absent
Dave D'Amore	<u>X</u>	<u> </u>	<u> </u>	<u> </u>
Joe Semione	<u>X</u>	<u> </u>	<u> </u>	<u> </u>
Todd Rulison	<u>X</u>	<u> </u>	<u> </u>	<u> </u>
Jane Kelley	<u> </u>	<u> </u>	<u> </u>	<u>X</u>
Mike Fitzgerald	<u>X</u>	<u> </u>	<u> </u>	<u> </u>
Joseph Gillis	<u>X</u>	<u> </u>	<u> </u>	<u> </u>
Tim Munn	<u> </u>	<u> </u>	<u> </u>	<u>X</u>

II. MINUTES FROM JULY 14, 2020 MEETING:

MOTION : Accept as presented.
MADE BY : Joe Semione
SECONDED : Dave D'Amore
ROLL CALL VOTE :

	Aye	Nay	Abstain	Absent
Dave D'Amore	X	—	—	—
Joe Semione	X	—	—	—
Todd Rulison	X	—	—	—
Jane Kelley	—	—	—	X
Mike Fitzgerald	X	—	—	—
Joseph Gillis	X	—	—	—
Tim Munn	—	—	—	X

NOTE: A transcript of the July 14, 2020 meeting has been prepared and posted on the IDA's website in compliance with Governor Cuomo's Executive Order suspending the Open Meetings Law.

III. BUDGET REPORT:

MOTION : Accept as presented.
MADE BY : Todd Rulison
SECONDED : Mike Fitzgerald
ROLL CALL VOTE :

	Aye	Nay	Abstain	Absent
Dave D'Amore	X	—	—	—
Joe Semione	X	—	—	—
Todd Rulison	X	—	—	—
Jane Kelley	—	—	—	X
Mike Fitzgerald	X	—	—	—
Joseph Gillis	X	—	—	—
Tim Munn	—	—	—	X

IV. COMMITTEE REPORTS:

A. Nominating Committee:

- No report.

B. Audit Committee:

- Monthly Bank Reconciliation Reports: Joseph Semione

IDA DISCUSSION: Joe Semione approved the Monthly Bank Reconciliation Reports.

C. Governance Committee:

- No report.

D. Finance Committee:

- No report.

V. FULTON COUNTY/FULTON COUNTY CENTER FOR REGIONAL GROWTH (FCCRG) REPORTS:

1. Fulton County Report: John Blackmon, Liaison
2. FCCRG Report: Kent Kirch

DISCUSSION: John Blackmon stated that the Board of Supervisors had its first in-person meeting yesterday in a number of months. He reviewed two (2) resolutions that were passed by the Board of Supervisors. The first was endorsing the Johnson Hall Master Plan, and the second was the approval of the proposed 2020-2021 FMCC Budget.

Kent Kirch reviewed the August 2020 report from the Fulton County Center for Regional Growth that was attached to the Agenda. He stated it has been a good season for the Microenterprise Grant Program. \$200,000 in grants averaging about \$20,000 to \$25,000 apiece have been distributed to eight (8) local businesses. He stated, yesterday, was the grand opening for the "Five and Dine" in Northville. He also stated that the CRG is working on a high-end magazine that will hopefully be published at the end of September.

Joe Semione asked about the potential inquiry the CRG has received for a site in the Tryon Technology Park. Kent Kirch stated he did not have any details on that. He stated he would contact Ron Peters and try to get more information.

VI. OLD BUSINESS:

A. IDA Website:

1. Background:

- At its November 12, 2019 meeting, IDA Board hired Emery Designs to update IDA's website.
- Executive Director has been participating in weekly Conference Calls with Emery Designs to discuss various issues.
- At its January 14, 2020 meeting, the IDA Board agreed to consolidate the information on the Tryon Technology Park website (tryontechnologypark.com) into the IDA's website (fcida.org) but retain the domain name Tryon Technology Park.

2. Status Report:

- New pictures added to Home page.
- Added information on Workforce Training Programs available in Fulton County.
- Added info about each top employer in the County.
- Updated info about "Strategic Location."

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. He asked if there were any questions. There were none.

B. Cushman Wakefield:

A. Background:

- At its April 14, 2020 meeting, the IDA Board authorized the Chairman to execute a Listing Agreement with Cushman Wakefield to market Tryon.
- Listing Agreement has been executed.

B. Status Report:

- Cushman Wakefield has listed Tryon's shovel-ready land and the two (2) buildings onto their website as follows:
 - The land is listed at \$27,500 per acre.
 - The 15,000+/- sf Building 60/the former Maintenance Shop is listed at \$150,000.
 - The 15,000+/- sf portion of Building 3 referred to as the Midas Building is listed at \$350,000.
- Cushman Wakefield has advised that there is a party interested in several existing buildings.

C. Appraisal:

- In order to sell one of the buildings, appraisals should be prepared to establish market value for these buildings.
- The IDA has received a proposal from Mark Grant, MAI from CBRE, Inc.
- The proposal calls for preparing Restricted Use Reports which will establish market values for each building. These reports will use primarily the sales approach to value the buildings.
- The proposal includes preparing Restricted Use Reports for three (3) existing buildings at Tryon.
- Total Cost: \$4,500

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. He asked if there were any questions. There were none.

IDA ACTION:

MOTION: To authorize the Chairman to execute an Engagement Letter with CBRE to prepare Restricted Use Reports for three (3) buildings at Tryon at a cost of \$4,500.

MADE BY: Joe Semione

SECONDED: Mike Fitzgerald

ROLL CALL VOTE :

	Aye	Nay	Abstain	Absent
Dave D'Amore	X	—	—	—
Joe Semione	X	—	—	—
Todd Rulison	X	—	—	—
Jane Kelley	—	—	—	X
Mike Fitzgerald	X	—	—	—
Joseph Gillis	X	—	—	—
Tim Munn	—	—	—	X

C. Tryon Electric Project:

- All of National Grid's work has been completed.
- The cutover was completed on July 14, 2020.
- There still needs to be work done with removing transformers, poles and wires from the old electric system.
- Waiting for final invoice from Tom's Electric.

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. He asked if there were any questions. There were none.

D. Lands on South Side of CR107:

1. Background:

- IDA Board retained Coldwell Banker Arlene M. Sitterly to market the 27+/- acre parcel of land on the south side of CR107.
- The IDA Board received four (4) formal offers to purchase the property. One of the offers was subsequently withdrawn.

2. May 12, 2020 IDA Board Meeting:

- At its May 12, 2020 meeting, the IDA Board unanimously agreed to accept the offer from Squires/McCashion.

3. June 9, 2020 IDA Board Meeting:

- On May 22, 2020, Dave Huckans/Dr. Shri Verma submitted a revised offer to the IDA. Revised offer increased purchase price from \$30,000 to \$90,000 with no contingencies.
- On June 8, 2020, Clayt Sitterly emailed the IDA advising that his clients, Squires/McCashion, had decided to not pursue its project and was therefore withdrawing its offer to purchase the 27+/- acres on the south side of CR107.
- At its June 9, 2020 meeting, the IDA Board agreed to meet with Mr. Huckans and Dr. Verma to discuss their revised proposal.

4. July 14, 2020 Meeting:

- On June 12, 2020, IDA representatives met with Dave Huckans, Dr. Verma and Baljit Verma to discuss their revised offer.

- Their plan for the property includes the following:
 - Create a business to manufacture and distribute probiotics.
 - Promote organic farming and use the site as a hub for selling organic farm-to-table products.
 - Relocate an existing business to the site.
- On June 15, 2020, a request was made to Dave Huckans and Dr. Verma to prepare and submit to the IDA a more detailed business plan.
- On June 15, 2020, several questions were asked of the IDA about the property. Responses were provided on June 16, 2020.
- National Grid came to the site on June 23, 2020 to mark the location of their gas mains.
- On June 24, 2020, Dave Huckans called to ask that the utility rooms to the existing buildings be opened so he and Gloversville Water Department could see where water lines entered each building. Those utility rooms were opened the same day.
- On July 7, 2020, Dave Huckans submitted a revised business plan summarizing how they intend to develop the site. Revised plan was submitted and reviewed at July 14, 2020 meeting.
- At July 14, 2020 meeting, IDA Board authorized its Chairman to execute a Purchase Contract for the sale of these 27+/- acres to Huckans/Verma.

5. Update:

- Purchase Contract has yet to be signed by Verma/Huckans.
- Responded to series of questions submitted by Dave Huckans.
- Conducted conference call on August 3, 2020 with Dave Huckans and Paul Kolodziej, his attorney.
- Mr. Huckans is seeking additional information on three (3) items:
 1. Estimated IDA legal fees that Mr. Huckans will be responsible for paying.
 2. Verification that the Town of Perth or Fulton County will take over ownership of access driveway.
 3. Verification that this parcel will be included in proposed Fulton County Sewer District No. 4.
- Mr. Huckans advised that these issues need to be addressed in order for them to execute the Purchase Contract.

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. He stated he would he would have additional comments on this matter in Executive Session. He asked if there were any questions. There were none.

E. Proposed Nexus Renewables Solar Project:

1. Nexus Renewables:

- NR is a renewable energy developer that builds, owns, operates and finances renewable energy assets.
- NR is based in Canada.
- NR has been operational for approximately 1 year.
- NR has already contracted with 15 projects of which four (4) have been in New York State. Three (3) projects have been with NYS Gas and Electric and one (1) with Con Edison. All four (4) of these projects are solar PV projects.

- NR's projects in Canada are all Battery Energy Storage Systems (BESS).

2. Proposed Project:

- NR is proposing to develop a solar project on a 29+/- acre parcel adjacent to the Tryon Technology Park.
- The 29+/- acres is not part of the Tryon Technology Park.
- It was part of the 515 acres of land New York State deeded to the IDA as part of Tryon.
- This land was previously looked at by another solar company several years ago.
- NR desires to develop a 6.875 MW solar project on the site.
- Total Project Cost: \$10,500,000
- The project includes:
 - 1) The installation of +/- 980 freestanding, tracking solar tables (total +/- 23,700 modules/panels. Each row of solar tables will be approximately 5.5 ft. in height, 6.5 ft. in width, vary in length, and anchored into the ground via H piles. While the project has approximately 25.2 acres of ground disturbance, it will only result in an increase in impervious surface of approximately 0.03 acres.
 - 2) The array will have 50' setbacks from property lines and be surrounded by a 6' high chain-link fence with 3-strands of barbed wire affixed to the top for security purposes.
 - 3) For visual screening, a landscape buffer will be planted along the perimeter that abuts the New York State Department of Corrections (NYSDOC) Hale Creek Correctional Facility and the Don Brown Bus Sales site. The remaining portions of the perimeter will be screened by existing wooded vegetation.
 - 4) Other project elements include planting low-growth pollinator-friendly seed mix underneath the solar tables, both underground and overhead electrical lines, small operational and control structures, and mostly unimproved access roads.
 - 5) Nexus will participate in the NYSERDA NY-Sun Initiative to provide clean energy to local businesses and residences.
- NR would pay for all costs associated with developing, constructing and operating the solar project.
- IDA would incur no costs.
- NR would lease land from the IDA for this project.
- IDA would generate two (2) revenues:
 - 1) Land Lease: NR would pay a flat rate per acre per year
 - 2) Solar Energy Generated: NR would pay a flat rate per kWh of solar energy generated

3. Project Application:

- NR has submitted a Project Application to the IDA requesting the following IDA benefits:
 - 1) Sales Tax Exemptions.
 - 2) Mortgage Recording Tax Exemptions.
- Total benefits requested would exceed \$100,000.
- Since NR's Project Application requests financial assistance greater than \$100,000, a public hearing must be held.

4. Public Hearing:

- A public hearing was held on Tuesday, July 28, 2020, at 10:00 a.m. in the Town of Johnstown Town Hall.
- See attached Meeting Notes

5. Project Structure:

- NR will lease the property at Tryon to the IDA.
- The IDA will lease the facility back to NR.

6. Project Number:

- The project has been assigned Project Number: 1701-20-01-A

7. Project Benefits:

A. Revenue to the IDA:

- NR and the IDA will execute Lease and Revenue Sharing Agreements.
- The Lease will lease the 29+/- acres to NR.
- In return, NR will make an annual lease payment to the IDA.
- See attached Exhibit C.
- The Revenue Sharing Agreement will result in NR paying the IDA \$1 per MWh of solar power generated.
- See attached Exhibit A.
- The total estimated revenue the IDA will receive is approximately \$50,000 per year.

B. Property Taxes:

- NR's Project Application did not request any real property tax exemptions from the IDA.
- The Broadalbin-Perth Central School District has requested that NR enter into a PILOT with the School District.
- The Town of Johnstown has also requested a PILOT.
- Both the School District and Town have not opted out of 487.
- The Town of Johnstown Assessor has provided NR with a preliminary estimate of what NR's project would be assessed for. Based on that estimate, NR would pay approximately \$55,000 in year 1 to Fulton County in County taxes.

8. SEQR:

A. Lead Agency

- NR has submitted a Full Part I Environmental Assessment Form (EAF) to the IDA.
- The EAF identifies the following potential Involved Agencies:
 - IDA
 - Town of Johnstown Planning Board
 - Town of Johnstown Town Board
 - NYS Energy Research and Development Authority
 - NYS Department of Environmental Conservation
 - Broadalbin-Perth Central School District
 - U.S. Army Corps of Engineers

- At its July 14, 2020 meeting, the IDA Board classified the proposed solar project as a Type I action, proposed that it serve as the Lead Agency for a coordinated SEQR review and authorized the distribution of the EAF to all Involved Agencies asking for their consent to their consent to the IDA serving as Lead Agency.
- Involved Agencies were given until 5:00 PM, Friday, August 7, 2020 to respond
- Responses were received from:
 - Town of Johnstown Planning Board: Supports IDA serving as Lead Agency
 - NYSDEC: Supports IDA serving as Lead Agency

IDA DISCUSSION: Jim Mraz reviewed the information in Items 1-8 in the Agenda. With respect to the Project Structure, he asked Kara Lais if a decision had been made on whether the IDA would be executing one (1) master lease with Nexus Renewables or individual leases with the four (4) parcels they would be creating. Kara Lais stated it appears as if there is going to be four (4) separate leases, all of which will have the same language.

Jim Mraz reviewed the information on the Agenda regarding SEQR. He reviewed the proposed motion to designate the IDA to serve as Lead Agency. He asked if there were any questions. There were none.

IDA ACTION:

MOTION: To designate the IDA to serve as the Lead Agency in a Coordinated SEQR Review on the proposed Nexus Renewables Project.

MADE BY: Joe Gillis

SECONDED: Joe Semione

ROLL CALL VOTE :

	Aye	Nay	Abstain	Absent
Dave D'Amore	<u>X</u>	<u> </u>	<u> </u>	<u> </u>
Joe Semione	<u>X</u>	<u> </u>	<u> </u>	<u> </u>
Todd Rulison	<u>X</u>	<u> </u>	<u> </u>	<u> </u>
Jane Kelley	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Mike Fitzgerald	<u>X</u>	<u> </u>	<u> </u>	<u>X</u>
Joseph Gillis	<u>X</u>	<u> </u>	<u> </u>	<u> </u>
Tim Munn	<u> </u>	<u> </u>	<u> </u>	<u>X</u>

B. Part II EAF

- The IDA has completed a Part II EAF.
- See Attached
- Review Part II EAF

IDA DISCUSSION: Jim Mraz reviewed the Part II EAF that was attached to the Agenda. He reviewed all of the items that were checked as having potential impacts. In all of those instances, no significant or major potential environmental impacts were identified. He asked if there were any questions regarding the Part II EAF. There were none.

C. Determination of Significance

- Based upon its review of the Part I and II EAF and all project information, the IDA Board now needs to issue a Determination of Significance under SEQR.
- Two options exist:
 1. Positive Determination: If the IDA Board determines that the proposed project may create 1 or more significant environmental impacts, it must issue a Positive Declaration which means a Draft Environmental Impact Statement (DEIS) must be prepared
 2. Negative Declaration: If the IDA Board determines that the proposed project will not create any significant environmental impacts, it must issue a Negative Declaration which means a Draft Environmental Impact Statement (DEIS) does not have to be prepared and the SEQR process has been completed

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. He reviewed the two (2) options available to the IDA Board for issuing a determination of significance. Upon reviewing the information on the Agenda, he asked if there were any questions. Joe Semione stated that, based upon his review of all of the information in Parts I and II of the EAF, he thinks the IDA Board should issue a negative declaration. Dave D'Amore stated he agreed with Joe Semione's assessment. Jim Mraz asked if there were any other questions. There were none.

IDA ACTION:

MOTION: To issue a negative declaration on the proposed Nexus Renewables Solar Project and to authorize the filing of that negative declaration in accordance with SEQR Regulations.

MADE BY: Dave D'Amore

SECONDED: Joe Semione

ROLL CALL VOTE :

	Aye	Nay	Abstain	Absent
Dave D'Amore	X	—	—	—
Joe Semione	X	—	—	—
Todd Rulison	X	—	—	—
Jane Kelley	—	—	—	X
Mike Fitzgerald	X	—	—	—
Joseph Gillis	X	—	—	—
Tim Munn	—	—	—	X

9. Application for Sales and Mortgage Recording Tax Exemptions

- NR has applied to the IDA for sales and mortgage recording tax benefits.
- NR has advised that without these benefits, their proposed project would not be financially viable.
- The estimated benefits to be provided total approximately \$880,000 of which \$800,000 would be sales tax exemptions.
- See attached resolution to authorize granting these financial incentives.

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. He asked Kara Lais if there was any other additional information to go over with respect to this resolution. She stated that the final resolution added several items from what was in the original draft that was e-mailed to IDA Board members. The final resolution includes a completion date of 7/31/22. It also added to Section 1 additional reasons why the IDA Board would be approving this resolution. Jim Mraz asked if there were any additional questions. There were none.

IDA ACTION:

MOTION: To adopt a resolution taking preliminary action toward undertaking a certain project, as defined herein, appointing Nexus Renewables U.S. Inc., or an entity to be formed (the "Company"), as agent of the Agency for the purpose of constructing and equipping the project facility (as defined herein) and authorizing the execution and delivery of an agent agreement and closing documents by and between the Agency and the Company.

MADE BY: Mike Fitzgerald

SECONDED: Joe Gillis

ROLL CALL VOTE :

	Aye	Nay	Abstain	Absent
Dave D'Amore	X	—	—	—
Joe Semione	X	—	—	—
Todd Rulison	X	—	—	—
Jane Kelley	—	—	—	X
Mike Fitzgerald	X	—	—	—
Joseph Gillis	X	—	—	—
Tim Munn	—	—	—	X

10. Lease and Revenue Sharing Agreements:

A. Lease Agreement

- The lease would be for 25 years with NR having the option to extend the lease for three (3) additional five (5) year terms
- As a result, the total length of the lease could go to 40 years.
- There would be three (3) terms of the Lease:
 1. Option Term: Up to 1 year: \$1,000 fee to IDA: NR completes due diligence.
 2. Development Term: Commences when NR exercises option: \$1,000 fee to IDA: NR constructs solar project.
 3. Commercial Operation Date: The date NR begins generating solar energy. This is when lease would commence.
- First lease payment due on Commercial Operational Date.

B. Revenue Sharing Agreement

1. Runs co-terminus with Lease Agreement.
2. Revenue Sharing Agreement stipulates that NR would pay IDA \$1 per MWh of solar energy generated.

C. Status of both Agreements

- NR has submitted draft Lease and Revenue Sharing Agreements to the IDA.
- Kara Lais and Jim Mraz have reviewed and commented on the draft documents.
- Both draft Agreements were e-mailed to IDA Board members to review.
- Once both Agreements have been approved by Kara Lais and Jim Mraz, the Chairman could then sign the Agreements.

DISCUSSION: Jim Mraz reviewed the information on the Agenda. He asked if there were any questions. Joe Gillis asked if there was a timeframe associated with the Development Term? Keith Sandor stated it is one (1) year. Joe Gillis asked how the IDA will be able to know how much energy was actually generated in a given year? Keith Sandor stated that Nexus Renewables will be installing a revenue-grade meter. They will provide the actual meter readings to the IDA annually. Jim Mraz reviewed the potential revenues from both the lease and Revenue Sharing Agreement that were attached to the Agenda. He stated the annual lease payment would be paid at the start of each lease year. He stated the revenue from the generation of solar power would be made at the end of each year of the lease. Jim Mraz asked if there were any questions. There were none.

IDA ACTION:

MOTION: To authorize the Chairman to execute Lease and Revenue Sharing Agreements with NR subject to the approval of both Agreements by Kara Lais and Jim Mraz.

MADE BY: Joe Gillis

SECONDED: Joe Semione

ROLL CALL VOTE :

	Aye	Nay	Abstain	Absent
Dave D'Amore	X	—	—	—
Joe Semione	X	—	—	—
Todd Rulison	X	—	—	—
Jane Kelley	—	—	—	X
Mike Fitzgerald	X	—	—	—
Joseph Gillis	X	—	—	—
Tim Munn	—	—	—	X

11. Easement:

A. Background:

- The 29+/- acre parcel NR desires to lease from the IDA is landlocked and does not have direct access onto a public road.

B. Proposed Easement:

- It is proposed to grant NR a 20' easement from CR117 paralleling the eastern boundary of Vireo Health's property back to this 29+/- acre parcel.
- See attached map.
- NR is also pursuing other options for gaining access to this 29+/- acre parcel. If another option is selected, no easement from CR117 would be needed.

DISCUSSION: Jim Mraz reviewed the information on the Agenda. He asked if there were any questions. Joe Gillis asked if this access would be used for wires, cables, as well as a road. Jim Mraz stated all of the above. Joe Gillis asked if the wires going through the Tryon Technology Park would be aboveground or underground? Jim Mraz stated that all wires and cables would be underground throughout the Tryon Technology Park. Jim Mraz asked if there were any additional questions. There were none.

IDA ACTION:

MOTION: To approve granting a 20' easement from CR117 along the eastern boundary of Vireo Health's property to the 29+/- acre parcel NR will be leasing from the IDA.

MADE BY: Todd Rulison

SECONDED: Joe Gillis

ROLL CALL VOTE :

	Aye	Nay	Abstain	Absent
Dave D'Amore	X	—	—	—
Joe Semione	X	—	—	—
Todd Rulison	X	—	—	—
Jane Kelley	—	—	—	X
Mike Fitzgerald	X	—	—	—
Joseph Gillis	X	—	—	—
Tim Munn	—	—	—	X

12. Community Solar:

- Nexus' project is considered a Community Solar Project.
- Nexus will receive certain credits that it can make available to local entities to help reduce monthly electric bills.
- Presentation: Keith Sandor, President, Nexus Renewables

IDA DISCUSSION: Keith Sandor, President, Nexus Renewables, gave a presentation to the IDA Board regarding an additional benefit Nexus' solar project will generate. The additional benefit will be the cost savings that local community members will realize as a result of NYSERDA's community solar program that Nexus will be participating in. Keith Sandor stated that National Grid will be providing Nexus Renewables with certain credits. Nexus Renewables assigns these credits to certain subscribers. The subscribers then utilize these credits against their electric bills. Keith Sandor stated that Nexus Renewables can assign these credits to any subscriber served by National Grid within their New York Independent System Operator Zone. He stated that there needs to be a total of ten (10) subscribers. He stated that no one subscriber can receive more than 40% of the total credits available. He stated that the

credits should result in a 10% cost reduction in a subscriber's electric bill. He stated that Nexus Renewables' goal was to have all of these credits allocated into Fulton County.

Dave D'Amore asked how would subscribers be identified? Keith Sandor stated that a public announcement is the preferred method. He stated that the IDA could work with Nexus on having a public announcement made and then begin accepting equally from interested parties. Dave D'Amore asked if there is any restrictions on certain classifications of potential subscribers? He said, for example, can municipalities and School Districts be subscribers? Keith Sandor stated that those entities can be subscribers. He stated a subscriber needs to have a separate utility account in order to be eligible. Joe Semione asked if some of these credits could be reserved for a potential future user in the Tryon Technology Park? Keith Sandor stated that an allocation of credits could only be reserved for up to one (1) year.

Jim Mraz asked when the list of subscribers for these credits need to be identified and subscriber agreements executed? Keith Sandor stated that Nexus Renewables would like to have these agreements in place prior to the start of commercial operations. He stated, at present, Nexus is hoping to have its solar facility generating solar energy by September 1, 2021.

Jim Mraz stated that the purpose of today's meeting was to simply introduce the community solar concept to IDA Board members. He stated the IDA Board will need to be discussing this matter further to determine how it wants to go about identifying potential subscribers for these credits.

13. Special Use Permit/Subdivision Approval:

- On July 7, 2020, NR submitted its application for a Special Use and Subdivision approval to the Town of Johnstown Planning Board.
- NR desires to subdivide the 29+/- acre parcel into four (4) separate tax parcels.
- The Town of Johnstown Planning Board met on July 14, 2020 to commence its review of the proposed solar project.
- The Planning Board will meet again on August 11, 2020 to continue its review of the proposed project

VII. NEW BUSINESS:

VIII. OTHER BUSINESS:

A. Executive Session:

1. Upon a majority vote of its total membership, taken in an open meeting pursuant to a motion identifying the general area or areas of the subject or subjects to be considered, a public body may conduct an executive session for the below enumerated purposes only, provided, however, that no action by formal vote shall be taken to appropriate public moneys:

- i. matters which will imperil the public safety if disclosed;
- ii. any matter which may disclose the identity of a law enforcement agent or informer;
- iii. information relating to current or future investigation or prosecution of a criminal offense which would imperil effective law enforcement if disclosed;
- iv. discussions regarding proposed, pending or current litigation;
- v. collective negotiations pursuant to article fourteen of the civil service law;
- vi. the medical, financial, credit or employment history of a particular person or corporation, or matters leading to the appointment, employment, promotion, demotion, discipline, suspension, dismissal or removal of a particular person or corporation;
- vii. the preparation, grading or administration of examinations;
- viii. **the proposed acquisition, sale or lease of real property or the proposed acquisition of securities, or sale or exchange of securities held by such public body, but only when publicity would substantially affect the value thereof.**

MOTION: To go into Executive Session to discuss the proposed acquisition, sale or lease of real property or the proposed acquisition of securities, or sale or exchange of securities held by such public body, but only when publicity would substantially affect the value thereof.

MADE BY : Dave D'Amore

SECOND : Joe Semione

ROLL CALL VOTE :

	Aye	Nay	Abstain	Absent
Dave D'Amore	<u>X</u>	—	—	—
Joe Semione	<u>X</u>	—	—	—
Todd Rulison	<u>X</u>	—	—	—
Jane Kelley	—	—	—	<u>X</u>
Mike Fitzgerald	<u>X</u>	—	—	—
Joseph Gillis	<u>X</u>	—	—	—
Tim Munn	—	—	—	<u>X</u>

TIME : 8:40 a.m.

MOTION : To go out of Executive Session.

MADE BY : Dave D'Amore

SECOND : Joe Gillis

ROLL CALL VOTE :

	Aye	Nay	Abstain	Absent
Dave D'Amore	<u>X</u>	<u> </u>	<u> </u>	<u> </u>
Joe Semione	<u>X</u>	<u> </u>	<u> </u>	<u> </u>
Todd Rulison	<u>X</u>	<u> </u>	<u> </u>	<u> </u>
Jane Kelley	<u> </u>	<u> </u>	<u> </u>	<u>X</u>
Mike Fitzgerald	<u>X</u>	<u> </u>	<u> </u>	<u> </u>
Joseph Gillis	<u>X</u>	<u> </u>	<u> </u>	<u> </u>
Tim Munn	<u> </u>	<u> </u>	<u> </u>	<u>X</u>

TIME : 10:15 a.m.

IX. CUSHMAN WAKEFIELD:

A. Background:

- At its April 14, 2020 meeting, the IDA Board authorized the Chairman to execute a Listing Agreement with Cushman Wakefield to market Tryon.
- Listing Agreement has been executed.

B. Status Report:

- Cushman Wakefield has listed Tryon's shovel-ready land and the two (2) buildings onto their website as follows:
 - The land is listed at \$27,500 per acre.
 - The 15,000+/- sf Building 60/the former Maintenance Shop is listed at \$150,000.
 - The 15,000+/- sf portion of Building 3 referred to as the Midas Building is listed at \$350,000.
- Cushman Wakefield has advised that there is a party interested in several existing buildings.

C. Appraisal:

- In order to sell one of the buildings, appraisals should be prepared to establish market value for these buildings.
- The IDA has received a proposal from Mark Grant, MAI from CBRE, Inc.
- The proposal calls for preparing Restricted Use Reports which will establish market values for each building. These reports will use primarily the sales approach to value the buildings.
- The proposal includes preparing Restricted Use Reports for four (4) existing buildings at Tryon.
- Total Cost: \$6,000

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. He asked if there were any questions. There were none.

IDA ACTION:

MOTION:

To authorize the Chairman to execute an Engagement Letter with CBRE to prepare Restricted Use Reports for four (4) buildings at Tryon at a cost of \$6,000.

MADE BY: Joe Semione
SECONDED: Mike Fitzgerald
ROLL CALL VOTE :

	Aye	Nay	Abstain	Absent
Dave D'Amore	X	—	—	—
Joe Semione	X	—	—	—
Todd Rulison	X	—	—	—
Jane Kelley	—	—	—	X
Mike Fitzgerald	X	—	—	—
Joseph Gillis	X	—	—	—
Tim Munn	—	—	—	X

X. NEXT MEETING:

Tuesday
September 8, 2020
8:00 a.m.

XI. CLOSE MEETING:

MOTION : To close the meeting
MADE BY : Dave D'Amore
SECONDED : Joe Semione
ROLL CALL VOTE :

	Aye	Nay	Abstain	Absent
Dave D'Amore	X	—	—	—
Joe Semione	X	—	—	—
Todd Rulison	X	—	—	—
Jane Kelley	—	—	—	X
Mike Fitzgerald	X	—	—	—
Joseph Gillis	X	—	—	—
Tim Munn	—	—	—	X

TIME : 10:20 a.m.

Fulton County Industrial Development Agency

Adopted August 11, 2020

Introduced by Mike Fitzgerald
who moved its adoption.

Seconded by Joe Gillis

RESOLUTION TAKING PRELIMINARY ACTION TOWARD UNDERTAKING A CERTAIN PROJECT, AS DEFINED HEREIN, APPOINTING NEXUS RENEWABLES U.S. INC., OR AN ENTITY TO BE FORMED (THE "COMPANY"), AS AGENT OF THE AGENCY FOR THE PURPOSE OF CONSTRUCTING AND EQUIPPING THE PROJECT FACILITY (AS DEFINED HEREIN) AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN AGENT AGREEMENT AND CLOSING DOCUMENTS BY AND BETWEEN THE AGENCY AND THE COMPANY

WHEREAS, the Fulton County Industrial Development Agency (the "Agency") is a body corporate and politic duly organized and existing under Section 895-c of the General Municipal Law ("GML") of the State of New York (the "State"), with its principal place of business at 1 East Montgomery Street, Johnstown, New York; and

WHEREAS, NEXUS Renewables U.S. Inc., a business corporation established pursuant to the laws of the State of Delaware, having an address of 4789 Yonge Street, Suite 916, Toronto, Canada M2N 0G3 (the "Company") has requested that the Agency provide financial assistance in the form of a mortgage recording tax abatement and a sales tax abatement regarding a project (the "Project") to consist of: (i) the acquisition of a leasehold interest in approximately 29 acres of certain vacant real property located at County Highway 107 N in the Town of Johnstown, County of Fulton, New York and being a portion of tax map parcel number 164.-2-16.5 (the "Land"); (ii) the planning, design, expansion, renovation, operation and maintenance by the Company of a 6.88 MW-AC (9.25MW-DC) Photovoltaic Array, which includes the installation of 980+/- freestanding, tracking solar tables to be distributed among four (4) subdivided parcels of the Land (collectively, the "Improvements"); (iii) the acquisition of and installation in and around the Land and Improvements by the Company of machinery, equipment, fixtures and other items of tangible personal property (the "Equipment" and, collectively with, the Land and the Improvements, the "Facility"); and (iv) entering into a lease transaction (within the meaning of subdivision (15) of Section 854 of the Act) for each of the subdivided parcels of the Land, pursuant to which the Agency will retain an ownership interest in the Facility and lease such interest in the Facility to the Company, all pursuant to Title 1 of Article 18-A of the General Municipal Law of the State of New York, Chapter 862 of the Laws of 1971 of the State of New York (collectively, the "Act"), as amended; and

WHEREAS, under Article 18-A of the General Municipal Law (the "Act"), the Legislature of the State of New York has granted the Agency the power and authority to undertake the Project, as the Act authorizes the Agency to promote, develop, encourage and assists projects such as this Project and to advance job opportunities, health general prosperity and economic welfare of the people of the State of New York; and

WHEREAS, the Project will require the Agency and the Company to enter into an agreement whereby the Company will acquire, by lease, and construct the Project Facility and the Agency will lease the Project Facility to the Company; and

WHEREAS, the Company has agreed to indemnify the Agency against certain losses, claims, expenses, damages and liabilities which may arise in connection with the transactions contemplated by the lease of the Facility; and

WHEREAS, a lease agreement (the "Lease Agreement") with respect to the Project, along with certain financing documents, will be executed by and between the Company and the Agency; and

WHEREAS, the Agency is a state agency under Section 8-0105 of the Environmental Conservation Law of the State of New York and the Project is an action under Article 8 of said law (Article 8 hereinafter being referred to as the "State Environmental Quality Review Act" or "SEQRA") and under 6 NYCRR Part 617, §§ 617.2(b) and 617.3(g); and

WHEREAS, the Company has submitted to the Agency and the Agency has reviewed information needed to determine whether or not the Project will have a significant impact on the environment; and

WHEREAS, the Project is a Type I Action under SEQRA for which the Agency has acted as lead agency and on August 11, 2020, the Agency reviewed the Project plans and specifications as submitted by the Company and issued its negative declaration by determining that the acquisition, construction and equipping of the Project Facility are consistent with social, economic and other essential consideration and will not result in any adverse impacts on the environment; and

WHEREAS, through the adoption of its Negative Declaration on August 11, 2020, the Agency satisfied the requirements of Part 617 of Title 6 of the NY Code of Rules and Regulations and no further SEQRA review is required for the Project; and

WHEREAS, the acquisition, construction and installation of the Project Facility has not been commenced, and the Agency has not yet authorized the Project; and

WHEREAS, the Agency conducted a public hearing on July 28, 2020 pursuant to Article 18-A of the New York State General Municipal Law (the "Law") before taking official action relating to the Project.

NOW, THEREFORE, BE IT RESOLVED:

SECTION 1. Findings. The Agency has reviewed the application to determine compliance with the requirements of the Act and based on the representations of the Company to the Agency in said application and elsewhere, the Agency hereby makes the following findings and determinations with respect to the Project:

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

(B) The Project constitutes a "project", as that quoted term is defined in the Act;

(C) The acquisition, construction and installation of the Facility and the lease of the Facility to the Company (i) will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of the State of New York and the County of Fulton and improve their standard of living; and (ii) will not result in the removal of an industrial or manufacturing plant of the Company from one area of the State to another area of the State nor will the completion of the Project result in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Facility located within the State of New York;

(D) It is in the public interest for the Agency to undertake the Project on behalf of the Company;

(E) The location of the site of the Project is acceptable to the Agency;

(F) The Facility is not known by the Agency to be in material violation of the local zoning laws and planning regulations of the Town of Johnstown and all regional and local land use plans for the area in which the Facility shall be located;

(G) The Facility and the operations of the Company are not known by the Agency to cause or result in the violation of the health, labor, environmental or other laws of the United States of America, the State of New York, the County of Fulton or the Town of Johnstown;

(H) The Agency further determines that the Project will consist of a private investment of \$10,500,000.00 and the Agency hereby determines this to be a Material Term, as defined in the Agency's Recapture of Benefits Policy, as amended from time to time, for the purposes of monitoring in accordance with the policies and procedures of the Agency; and

(I) The Agency further determines that the Project is in the best interests of the residents of the County of Fulton as the Project will generate real property tax revenues for the local taxing jurisdictions.

(J) The Agency further determines that the Project is in the best interests of the residents of the County of Fulton as the Project will generate additional revenues for the Agency

to help sustain the day to day operations of the Agency.

(K) The Agency further determines that the Project is in the best interests of the residents of the County of Fulton as the Project will generate credits that will help local governments, the school district and local businesses reduce their monthly electric consumptions bills.

SECTION 2. Determinations. The Agency hereby determines to:

(A) enter into, execute and deliver the a lease agreement from the Company to the Agency and the Lease Agreement with the Company for the Project Facility subject to the review and approval of said documents by the Chairman and counsel to the Agency; and

(B) execute and deliver all other certificates and documents subject to the review and approval of said documents by the Chairman and counsel to the Agency.

The Company shall complete the Project by July 31, 2022 (the "Completion Date"). Unless an extension is granted by the Agency, the failure of the Company to complete the Project by the Completion Date shall be considered a "significant change in the use of the facility" as set forth in the Agency's Recapture of Benefits Policy, as amended from time to time.

SECTION 3. Company Appointed Agent of Agency.

(A) The Company is hereby appointed the true and lawful agents of the Agency to:

- (1) construct and install the Project Facility;
- (2) make, execute, acknowledge, and deliver all contracts, orders, receipts, instructions, and writings needed to complete the Project; and
- (3) do all other things requisite and proper for the completion of the Project.

(B) The Company is authorized to proceed with the acquisition, construction and installation of the Project Facility, subject to receiving appropriate municipal approvals needed prior to commencement of construction, and to advance such funds as may be necessary to accomplish these goals.

(C) The Company is also authorized to appoint third party agents to undertake the Project and thereby make available to such third party agents an exemption from New York State sales and use taxes in connection with undertaking the Project. This provision is subject to the Company entering into an Agent Agreement with the Agency.

(D) The Agency hereby authorizes exemptions from State and local sales and use taxes for purchases and rentals related to the undertaking of the Project in an amount not to exceed Eight Hundred Forty Thousand Dollars (\$840,000.00), based on eligible Project costs of Ten Million Five Hundred Thousand Dollars (\$10,500,000.00); which exemption shall expire on July 31, 2022.

(E) The Agency hereby authorizes an exemption from mortgage recording tax for qualifying mortgages in the estimated amount of Eighty Thousand Dollars (\$80,000.00).

(F) The Agency hereby approves of the Agent Agreement, a copy of which is incorporated herein by reference, with the Company which shall be subject to the termination and recapture of benefits policy of the Agency and, in the event a new entity is created for purposes of this Project, The Agency further authorizes the execution and delivery of the Agent Agreement and any additional documents relative thereto.

SECTION 4. Payment in Lieu of Tax (PILOT) Agreement. It is anticipated that the Company will enter into a PILOT Agreement with the Broadalbin-Perth Central School District and the Town of Johnstown for the payment of real property taxes. It is anticipated that the Company will pay any and all County taxes assessed to the Project Facility.

SECTION 5. Administrative and Legal Fees. The Company will pay all costs incurred by the Agency, including but not limited to attorney's fees, which arise out of Company's Application for Financial Assistance, whether or not such assistance is ultimately issued. Agency's attorney's fees will be calculated at a time rate of \$275.00 per hour for attorney's time and \$105.00 per hour for senior legal assistant's time, plus disbursements. Upon closing of all of the Project documents, the Company will pay to the Agency an administrative fee (the "Administrative Fee") of \$78,750.00 based upon an estimated Project cost of \$10,500,000.00 pursuant to the schedule set forth below and contained within the Company's Application for Financial Assistance:

First \$10 Million of Project Costs:	¾ of 1%
Next \$10 Million of Project Costs:	½ of 1%
Next \$10 Million of Project Costs:	¼ of 1 %
Above \$30 Million of Project Costs:	1/8 of 1%.

Following the completion of the Project Facility, the Company shall confirm, in writing, the actual Project cost. In the event that the total Project cost exceeds the estimate provided herein, the Agency may require the payment of the difference that would otherwise be due pursuant to the above-schedule.

SECTION 6. Insurance. The Company shall deliver to the Agency a certificate of insurance, complying with the requirements as required by the Agency, and indicating that:

(a) The Company maintains insurance with respect to the Facility providing the coverage against the risks and for such amounts as are customarily insured against by businesses of like size and type, paying, as the same become due and payable, all premiums with respect thereto, and mandated by the Agency, including, but not necessarily limited to the following:

(i) Insurance protecting the interests of the Company and the Agency

against loss or damage to the Project Facility by fire, lightning and other casualties normally insured against with a uniform standard extended coverage endorsement, such insurance at all times to be in an amount not less than the total cash replacement value of the Project Facility, as determined by a recognized appraiser or insurer selected by the Company; provided, however, that the Company may, insure all or a portion of the Project Facility under a blanket insurance policy or policies covering not only the Project Facility or portions thereof but other property. The parties agree that for purposes of this Project the Company will be responsible for providing builders risk insurance.

(ii) Workers' compensation insurance, disability benefits insurance, and each other form of insurance which the Company is required by law to provide, covering loss resulting from injury, sickness, disability or death of employees of the Company who are located at or assigned to the Project Facility and for all contractors and subcontracts.

(iii) Insurance protecting the Company and the Agency against loss or losses from liabilities imposed by law or assumed in any written contract and arising from personal injury and death or damage to the Property of others caused by any accident or occurrence, with a single combined limit of not less than \$2,000,000.00 per accident or occurrence on account of personal injury, including death resulting therefrom, and damage to the Property of others, excluding liability imposed upon the Company by any applicable workers' compensation law; and a blanket excess liability policy in the amount not less than \$5,000,000.00 protecting the Company and the Agency against any loss or liability or damage for personal injury, death or Property damage.

(iv) If applicable and if it is determined that the Project Facility is located within an area identified by the Secretary of Housing and Urban Development as having special flood hazards, insurance against loss by floods in an amount not less than \$1,000,000.00 or to the maximum limit of coverage made available, whichever is less.

(v) Other insurance coverage required by any Governmental Authority in connection with any Requirement.

(b) all policies evidencing such insurance,

(i) name the Company and the Agency as insureds, as their interests may appear, and

(ii) provide for at least thirty (30) days' written notice to the Agency prior to cancellation, lapse, reduction in policy limits or material change in coverage thereof.

SECTION 7. Authorized Representatives. (A) The Chairman or the Vice Chairman is hereby authorized to execute and deliver any and all documents necessitated by this Resolution. If required, the signature of the Chairman or Vice Chairman shall be attested by the Secretary or Treasurer of the Agency (or Agency Counsel, in the absence of a Secretary/Treasurer) who, if required, shall affix a facsimile of the Agency's seal to documents required to be under seal. (B) On the advice of Counsel to the Agency, the Chairman or Vice Chairman shall make such reasonable changes to the documents as shall be required to promote and protect the Agency's interests with respect to the Project. All such changes shall be made prior to the closing.

SECTION 8. Public Inspection. A copy of this resolution and a copy of the Company's Application for Assistance, together with all other application materials not protected under applicable Freedom of Information Laws, shall be placed on file in the office of the Agency. Such documents shall be available for public inspection during normal business hours.

SECTION 9. Document Preparation. Counsel to the Agency is hereby authorized and directed to cooperate with counsel to the Company, as well as all other necessary parties in order to prepare the documents need to undertake the Project and to effectuate the provisions of this Resolution.

SECTION 10. Distribution of Resolution. The Chairman of the Agency is hereby authorized to distribute copies of this resolution to the Company and all other persons requesting it.

SECTION 11. Public Hearing. A public hearing for this Project was duly authorized and held on July 28, 2020 in accordance with the provisions of Article 18-A of the General Municipal Law.

SECTION 12. Further Action. The Chairman of the Agency is authorized to take such further action as shall be necessary to give effect to and implement this resolution.

SECTION 13. Effective Date. This resolution shall take effect immediately.

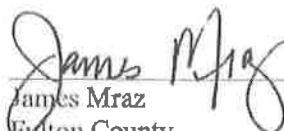
The question of the adoption of the foregoing resolution was duly put to a vote by roll call and was thereupon declared duly adopted.

	Aye	Nay	Abstain	Absent
Dave D'Amore	X	—	—	—
Joe Semione	X	—	—	—
Todd Rulison	X	—	—	—
Jane Kelley	—	—	—	X
Mike Fitzgerald	X	—	—	—
Joseph Gillis	X	—	—	—
Tim Munn	—	—	—	X

STATE OF NEW YORK)
) SS:
COUNTY OF FULTON)

This is to certify that I, James Mraz, Executive Director for the Fulton County Industrial Development Agency, do hereby certify that the foregoing is a true and correct copy and the whole thereof of a Resolution duly adopted by the Fulton County Industrial Development Agency, Glens Falls, New York on the 11th day of August, 2020.

In witness whereof, I have hereto set my hand and affixed the official seal of the Fulton County Industrial Development Agency on this 11th day of August, 2020.


James Mraz
Fulton County
Industrial Development Agency

[SEAL]

Acknowledged and Agreed to

By: _____
Title: _____ of NEXUS Renewables U.S. Inc.