

MINUTES

September 20, 2018

STAFF

JOHN J. PISECK, JR.
Executive Director

STACEY J. HOLLERAN
Office Manager

Herkimer County Industrial Development Agency Board of Directors Special Meeting held at the Herkimer County Chamber of Commerce Conference Room, 420 E. German Street, Herkimer at 8:00 AM.

BOARD OF DIRECTORS

VINCENT J. BONO
Chairman

DAVID M. CHLUS
Vice Chairman

JOHN SCARANO
Secretary

MICHAEL WERENCZAK
Treasurer

CORY ALBRECHT
Director

DANIEL B. REARDON
Director

CATHERINE RICCI
Director

After the Pledge of Allegiance, Vice-Chairman David Chlus called the meeting to order at 8:00 AM

The following members answered the roll call: David Chlus, Catherine (Cate) Ricci, Michael Werenczak, Daniel Reardon, John Scarano

Members Absent: V. James Bono, Cory Albrecht,

Staff Present: John J. Piseck, Jr., Stacey Holleran

Also Present: James Wallace, Anthony Hallak, Peter Manno

4905 East Lake Road, LLC and JBF Stainless, LLC (The companies) –

- Executive Director John Piseck reported that the financing for the project has changed; however the project total has not changed. Page 4 of the application was provided for consideration with the board packet. **Dan Reardon moved, seconded by Mike Werenczak, to approve the amended application with changes on Page 4 of the application. Motion carried.**
- The proposed amended Authorizing Resolution was presented prior to the meeting. After further review and discussion, **Dan Reardon offered the following motion:**

RESOLUTION AUTHORIZING THE AGENCY TO EXECUTE ALL RELEVANT CLOSING DOCUMENTS WITH RESPECT TO THE ACQUISITION OF AN INTEREST IN THE REAL PROPERTY SITUATE IN THE TOWN OF FRANKFORT, COUNTY OF HERKIMER AND STATE OF NEW YORK AND THE PERSONAL PROPERTY TO BE ACQUIRED AND LOCATED THEREAT (the "Facility") THROUGH A LEASE AGREEMENT, LEASING SAID FACILITY BACK TO ONE OR MORE OF THE COMPANIES; PROVIDING INCENTIVES THROUGH SALES AND MORTGAGE TAX EXEMPTIONS; TO ADDRESS ENVIRONMENTAL ISSUES AND TO PROVIDE FOR INDEMNIFICATION OF THE AGENCY ON SUCH ISSUES RELATING TO THE PROJECT THROUGH THE EXECUTION OF AN ENVIRONMENTAL COMPLIANCE

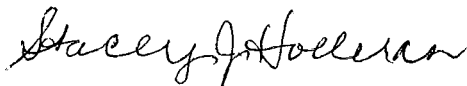
"This institution is an equal opportunity provider, employer and lender."

AND INDEMNIFICATION AGREEMENT WITH THE COMPANIES (the "ECIA"); TO ENTER INTO A PAYMENT IN LIEU OF TAX AGREEMENT; TO JOIN WITH ONE OR MORE OF THE COMPANIES IN THE EXECUTION SUBORDINATION AGREEMENT, INTERCREDITOR AGREEMENT AND LANDLORD/MORTGAGEE WAIVER, AMONG THE AGENCY AND M&T BANK (the "Bank"); AND MAKING CERTAIN FINDINGS AND DETERMINATIONS WITH RESPECT TO THE PROJECT

Seconded by John Scarano, the motion carried with 5 ayes and 0 nays. The official resolution is attached to the original minutes.

A motion to adjourn was made by Dan Reardon, seconded by Mike Werenczak and carried. The meeting adjourned at 8:12 AM.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Stacey J. Holleran". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Stacey J. Holleran
Office Manager

AUTHORIZING RESOLUTION

At a meeting of the Herkimer County Industrial Development Agency, Herkimer County, New York (the "Agency"), held at 420 E. German Street, Suite 101A, Herkimer, New York 13350 on the 20th day of September, 2018 at 8:00 a.m., the following members of the Agency were:

Present: David Chlus, John Scarano, Dan Reardon,
Michael Werenczak, Catherine Ricci
Absent: Vincent J. Bono, Cory Albrecht
Also Present: John Piseck, Stacey Holleran and Anthony Hallak, James Wallace, Peter Manno

After the meeting had been duly called to order, the Vice Chairman announced that the purpose of the meeting was to consider and take action on certain matters pertaining to 4905 East Lake Road, LLC and JBF Stainless, LLC (the "Companies").

The following resolution was duly moved, seconded, discussed and adopted with the following members voting:

AYE	NAY	ABSTAINED
*ALL	*NONE	*NONE

RESOLUTION AUTHORIZING THE AGENCY TO EXECUTE ALL RELEVANT CLOSING DOCUMENTS WITH RESPECT TO THE ACQUISITION OF AN INTEREST IN THE REAL PROPERTY SITUATE IN THE TOWN OF FRANKFORT, COUNTY OF HERKIMER AND STATE OF NEW YORK AND THE PERSONAL PROPERTY TO BE ACQUIRED AND LOCATED THEREAT (the "Facility") THROUGH A LEASE AGREEMENT, LEASING SAID FACILITY BACK TO ONE OR MORE OF THE COMPANIES; PROVIDING INCENTIVES THROUGH SALES AND MORTGAGE TAX EXEMPTIONS; TO ADDRESS ENVIRONMENTAL ISSUES AND TO PROVIDE FOR INDEMNIFICATION OF THE AGENCY ON SUCH ISSUES RELATING TO THE PROJECT THROUGH THE EXECUTION OF AN ENVIRONMENTAL COMPLIANCE AND INDEMNIFICATION AGREEMENT WITH THE COMPANIES (the "ECIA"); TO ENTER INTO A PAYMENT IN LIEU OF TAX AGREEMENT; TO JOIN WITH ONE OR MORE OF THE COMPANIES IN THE EXECUTION SUBORDINATION AGREEMENT, INTERCREDITOR AGREEMENT AND LANDLORD/MORTGAGEE WAIVER, AMONG THE AGENCY AND M&T BANK (the "Bank"); AND MAKING CERTAIN FINDINGS AND DETERMINATIONS WITH RESPECT TO THE PROJECT.

WHEREAS, 4905 East Lake Road, LLC, and JBF Stainless, LLC, on behalf of itself and/or the principals of 4905 East Lake Road, LLC and JBF Stainless, LLC (the “Companies”) have applied to the Herkimer County Industrial Development Agency (the “Agency”) to enter into a transaction relating to the acquisition, construction and equipping of the facility, together with construction and equipping of light manufacturing facilities on a parcel of land located at Country Mile, Frankfort, New York 13340, Herkimer County (the “Land”), and the acquisition and installation of equipment in the Improvements, all to be used by the Companies in connection with providing light manufacturing, training facilities and office space in support of 4905 East Lake Road, LLC (the Land, Improvements and Equipment) are referred to collectively as the “Facility” and the construction and equipping of the Improvements is referred to as (the “Project”); and

WHEREAS, one or more of the Companies will lease the Facility to the Agency, pursuant to Article 18-A of the General Municipal Law of the State of New York, and Chapter 372 of the Laws of 1970 of the State of New York, as may be amended from time to time (collectively the “Act”) and the Agency will lease the Facility back to one or more of the Companies pursuant to a Leaseback Agreement (the “Leaseback Agreement”); and

WHEREAS, one or more of the Companies will construct and equip the Project; and

WHEREAS, JBF Stainless, LLC will construct a manufacturing facility under the Act;
and

WHEREAS, the Act authorizes and empowers the Agency to promote, develop, encourage and assist projects such as the Facility and to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York; and

WHEREAS, the Agency is authorized under its Uniform Tax Exemption Policy to provide for financial assistance to the Project;

WHEREAS, representations made by the Companies in their Application for Financial Assistance support the finding that the Project will promote employment opportunities and prevent economic deterioration in the area served by the Agency; and

WHEREAS, on May 14, 2018 the Agency made certain findings, all of which remain the same, and resolved to authorize the Agency to take certain action in regard to executing documents; and

WHEREAS, prior to the closing of a lease-leaseback transaction, and the granting of any tax benefits, a public hearing (the “Hearing”) was held so that all persons with views in favor of or opposed to either the financial assistance contemplated by the Agency, or the location or nature of the Facility, can be heard; and

WHEREAS, the Agency has previously executed a Lease and Leaseback Agreement with the Companies and now proposes to complete the Projects financing in conjunction with the Bank; and

WHEREAS, the Agency has given due consideration to the application of the Companies and to representations by the Companies that the proposed lease-leaseback transaction is either and inducement to the Companies to maintain and expand the Facility in the County or is necessary to maintain the competitive position of the Companies in its industry; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law and regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively, the "SEQR Act" or "SEQRA"), the Agency constitutes a "State Agency"; and

WHEREAS, to aid the Agency in determining whether the Facility may have a significant effect upon the environment, the Companies have prepared and submitted to the Agency copies of an Environmental Assessment Form and related documents (the "Questionnaire") with respect to the Facility, a copy of which is on file as the office of the Agency.

NOW THEREFORE:

Section 1. The form and substance of the Closing Documents (each in substantially the forms presented to the Agency and which, prior to the execution and delivery thereof, may be redated) are hereby approved.

Section 2.

- (a) The Chairman, Vice Chairman, Secretary or any member of the Agency and the Executive Director, John J. Piseck, Jr., are hereby authorized, on behalf of the Agency, to execute and deliver the Closing Documents, all in substantially the forms thereof presented to this meeting with such changes, variations, omissions and insertions as the Chairman, Vice Chairman, Secretary, Executive Director or any member of the Agency shall approve, and such other related documents as may be, in the judgment of the Chairman and Agency Counsel, necessary or appropriate to effect the transactions contemplated by this resolution. The execution thereof by the Chairman, Vice Chairman, Executive Director or any member of the Agency shall constitute conclusive evidence of such approval.
- (b) The Chairman, Vice Chairman, Secretary or member of the Agency and the Executive Director, John J. Piseck, Jr. are further hereby authorized, on behalf of the Agency, to designate any additional Authorized Representatives of the Agency (as defined in and pursuant to the Lease Agreement).

Section 3. 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 or provided for by the provisions of the Closing Documents, and to execute and deliver all such additional certificates, instruments and documents, 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 resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Closing Documents binding upon the Agency.

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

I, Stacey Holleran, the undersigned Assistant Secretary of the Herkimer County Industrial Development Agency, DO HEREBY CERTIFY:

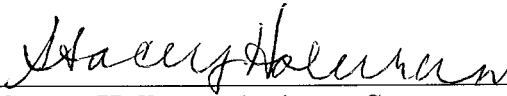
That I have compared the annexed extract of the minutes of the meeting of the Herkimer County Industrial Development Agency (the "Agency"), including the resolutions contained therein, held on the 20th day of September, 2018 with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolutions set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

That the Closing Documents contained in this transcript of proceedings are each in substantially the substance presented to the Agency and/or approved by said meeting.

I FURTHER CERTIFY that (i) all members of the Agency had due notice of said meeting, (ii) pursuant to Sections 103a and 104 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public and public notice of the time and place of said meeting was duly given in accordance with such Sections, (iii) the meeting in all respects was duly held, and (iv) there was a quorum present throughout.

IN WITNESS WHEREOF, I have hereunto set my hand as of this 20th day of September, 2018.

**HERKIMER COUNTY INDUSTRIAL
DEVELOPMENT AGENCY**


Stacey Holleran, Assistant Secretary