



MINUTES

November 17, 2021

STAFF

JOHN J. PISECK, JR.
Executive Director

STACEY J. HOLLERAN
Office Manager

VICTORIA L. ADAMS
Administration & Grant
Coordinator

BOARD OF DIRECTORS

VINCENT J. BONO
Chairman

JOHN SCARANO
Secretary

MICHAEL WERENCZAK
Treasurer

CORY ALBRECHT
Director

CATHERINE RICCI
Director

ANN GAWORECKI
Director

COUNSEL

ANTHONY G. HALLAK, Esq.
Felt Evans, LLP

Herkimer County Industrial Development Agency Special Board of Directors Meeting

The Herkimer County Industrial Development Agency held a special meeting of the Board of Directors on Wednesday, November 17, 2021 at 8:00 AM. The meeting was held electronically via zoom conference as well as a public meeting open for the public to attend in person. Members of the public were invited to join the meeting virtually by going to www.zoom.com or by dialing (929) 205-6099 and entering meeting ID: 818 6159 0119 and passcode: 290356. Members of the public were invited to attend the meeting in person in the Herkimer County Chamber of Commerce conference room at 420 E. German Street, Herkimer, NY 13350.

After the Pledge of Allegiance, Vice Chairman David Chlus called the meeting to order at 8:02 AM.

The following members were present in person and answered the roll call: Vincent (Jim) Bono, David Chlus, Ann Gaworecki, John Scarano, Catherine (Cate) Ricci. **Quorum Present.** Michael Werenczak entered at 8:04 AM.

Members Absent: Cory Albrecht

Staff Present: John Piseck, Stacey Holleran, Victoria Adams

Also Present in Person: Joseph (Joe) Scott, Esq. (Hodgson Russ)

Also Present Virtually: Anthony Hallak, Donna Thompson, Herkimer County Legislator Bob Hollum.

Project Housing: Mr. Piseck welcomed Joe Scott of Hodgson Russ to the meeting. Mr. Scott will be special/bond counsel for three upcoming Agency projects. Board members were provided the Application for Financial Assistance as well as the Preliminary Inducement Resolution prior to the meeting. Mr. Scott began the discussion by providing background on the proposed project. He continued by providing detailed information on the proposed benefits to the company and explained bond limits and amounts. He explained the preliminary Inducement Resolution in detail. **After discussion, Cate Ricci made the following motion:**

RESOLUTION TAKING OFFICIAL ACTION TOWARD THE ISSUANCE OF HOUSING REVENUE BONDS IN AN AMOUNT SUFFICIENT TO FINANCE THE ACQUISITION, RENOVATION, RECONSTRUCTION, INSTALLATION AND LEASING OF THE NG HERKIMER PRESERVATION HDFO PROJECT AND AUTHORIZING THE EXECUTION AND DELIVERY OF A PRELIMINARY AGREEMENT WITH RESPECT TO SUCH TRANSACTION.

Seconded by Ann Gaworecki, the motion carried with 6 ayes and 0 nays. Board approval of the Application for Financial Assistance and Preliminary Inducement Resolution is contingent upon the PILOT schedule being amended, as well as stipulations as outlined in the Preliminary Inducement Resolution being met by the company. The official resolution is attached to the original minutes.

Water Infrastructure Improvement Act (WIIA):

GHD Consulting Services: The Agency entered into an agreement with GHD Consulting Services to prepare a Preliminary Engineering Report to study and evaluate the water and sanitary sewer capacity available and need to serve the Manheim Business Park. The Village of Dolgeville has requested the assistance of the Agency in preparing a 2021 Water Infrastructure Improvement Act (WIIA) grant application to help fund the engineering and construction costs for a new water storage tank and associated appurtenances. The new water storage tank is to be located at the Manheim Business Park site to serve as a means of additional water distribution system storage for the Village and to provide water service to the Business Park. To address the Village's request, it is necessary to amend the agreement between the Agency and the consultant to include an additional scope of services. **John Scarano moved, seconded by Michael Werenczak to approve the amendment to the agreement between GHD Consulting Services and the Agency to include services related to the WIIA grant application, at a cost not to exceed \$8,700. Motion carried with 6 ayes and 0 nays.**

SEQR Village of Dolgeville Water Storage Tank Project: The board reviewed the Full Environment Assessment Form provided. After discussion it was determined that the IDA will act as Lead Agency for the Village of Dolgeville Water Storage Tank Project. It was further determined that the project is a Type I action that will result in no significant adverse impacts on the environment, and, therefore, an environmental impact statement need not be prepared. Accordingly, a negative declaration is issued. **Ann Gaworecki moved, seconded by Cate Ricci to approve the IDA to act as Lead Agency and authorize the Executive Director to sign a Negative Declaration as stated in EAF Part 3. Motion carried with 6 ayes and 0 nays.**

Herkimer County Microenterprise Grant – Jones Family Farm: A previously awarded business has been unable to locate and purchase equipment as outlined in their Microenterprise Grant application. Per conversations with the state representative for the project, it was recommended that the unused funds be reallocated to another grant recipient. Agency staff reached out to Jones Family Farm to inquire on their interest in purchasing additional equipment to receive additional grant monies. Jones Family Farm provided sufficient documentation to the Agency to increase their grant amount. **Ann Gaworecki moved, seconded by Cate Ricci to approve the Agency to increase the Microenterprise Grant award amount by the total amount of funds remaining in the grant fund, not to exceed the maximum grant award of \$35,000. Motion carried with 6 ayes and 0 nays.**

Cate Ricci moved, seconded by Michael Werenczak to enter into executive session at 8:35 AM to discuss developments of a potential project. Motion carried with 6 ayes and 0 nays. All board members, Joe Scott, John Piseck, Stacey Holleran, and Victoria Adams were invited to stay.

Cate Ricci moved, seconded by Ann Gaworecki to end executive session at 8:49 AM. Motion carried with 6 ayes and 0 nays.

Mr. Piseck informed board members that he is now a member of the Adirondack Economic Development Corporation board.

Mr. Piseck asked for board input on a replacement member for David Chlus.

Being no other business, John Scarano moved, seconded by Michael Werenczak to adjourn at 8:55 AM. Motion carried with 6 ayes and 0 nays.

Respectfully Submitted,

A handwritten signature in black ink that reads "Victoria Adams". The signature is written in a cursive, flowing style.

Victoria Adams
Administration & Grant Coordinator

**PRELIMINARY INDUCEMENT RESOLUTION
NG HERKIMER PRESERVATION HDFC PROJECT**

A special meeting of the Herkimer County Industrial Development Agency (the "Agency") was convened at the Herkimer County Chamber of Commerce Conference Room at 420 E. German Street, Herkimer, New York, on November 17, 2021 at 8:00 o'clock a.m., local time.

The meeting was called to order by the (Vice) Chair of the Agency and, upon roll being called, the following members of the Agency were:

PRESENT:

Vincent James Bono	Chairman
David Chlus	Vice Chair
John Scarano	Secretary
Michael Werenczak	Treasurer
Ann Gaworecki	Member
Catherine Ricci	Member

ABSENT:

Cory Albrecht	Member
---------------	--------

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

John J. Piseck, Jr.	Executive Director
Stacey Holleran	Office Manager
Victoria Adams	Administration & Grant Coordinator
A. Joseph Scott, III, Esq.	Bond Counsel

The following resolution was offered by Catherine Ricci, seconded by Ann Gaworecki, to wit:

Resolution No. 11.17.21

RESOLUTION TAKING OFFICIAL ACTION TOWARD THE ISSUANCE OF HOUSING REVENUE BONDS IN AN AMOUNT SUFFICIENT TO FINANCE THE ACQUISITION, RENOVATION, RECONSTRUCTION, INSTALLATION AND LEASING OF THE NG HERKIMER PRESERVATION HDFC PROJECT AND AUTHORIZING THE EXECUTION AND DELIVERY OF A PRELIMINARY AGREEMENT WITH RESPECT TO SUCH TRANSACTION.

WHEREAS, Herkimer County Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 410 of 1970 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 410 of the 1970 Laws of New York, as amended, constituting Section 898 of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research, and recreation facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity

and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to issue its industrial development revenue bonds to finance the cost of the acquisition, construction, reconstruction and installation of one or more “projects” (as defined in the Act), to acquire, construct, reconstruct and install said projects or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, NG Herkimer Preservation HDPC (the “Company”), has presented an application (the “Application”) to the Agency, requesting that the Agency consider undertaking a project (the “Project”) consisting of the following: (A) (1) the acquisition of an interest or interests in a parcel of land located at 105 Protection Avenue in the Village of Herkimer, Herkimer County, New York (the “Land”), together with the existing building located on the Land and known as the Nathan Galinsky Apartment Project (the “Facility”); (2) the reconstruction and renovation of the Facility, and (3) the acquisition and installation thereon and therein of various machinery and equipment (the “Equipment”) (the Land, the Facility and the Equipment hereinafter collectively referred to as the “Project Facility”), all of the foregoing to constitute a housing facility containing approximately 112 apartment units to be owned and operated by the Company; (B) the financing of all or a portion of the costs of the foregoing by the issuance of taxable and/or tax-exempt revenue bonds of the Agency in one or more issues or series in an aggregate principal amount sufficient to pay all or a portion of the cost of undertaking the Project, together with necessary incidental costs in connection therewith, presently estimated to equal approximately \$15,000,000, but in any event not to exceed \$27,000,000 (the “Bonds”); (C) the payment of a portion of the costs incidental to the issuance of the Bonds, including issuance costs of the Bonds and any reserve funds as may be necessary to secure the Bonds; (D) the granting of certain other “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including exemption from certain sales taxes, deed transfer taxes, mortgage recording taxes and real property taxes (collectively with the Bonds, the “Financial Assistance”); and (E) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”), and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (the “DEC Regulations”, and collectively with the “SEQR Act”, “SEQRA”), the Agency (or any other “involved agency”) (as such quoted phrase is defined in SEQRA), the Agency has not yet made a preliminary determination as to the potential environmental significance of the Project and therefore has not yet determined whether an environmental impact statement is required to be prepared with respect to the Project; and

WHEREAS, pursuant to the Act, any preliminary approval of the Project contained herein is contingent upon a determination by the members of the Agency to proceed with the Project following satisfaction of (A) all requirements of SEQRA that relate to the Project and (B) the public hearing and notice requirements and other procedural requirements contained in Section 859-a of the Act; and

WHEREAS, the Agency has given due consideration to the Application, and to representations by the Company that (A) the granting by the Agency of the Financial Assistance with respect to the Project will be an inducement to the Company to undertake the Project in Herkimer County, New York

and (B) the completion of the Project will not result in the removal of a plant or facility of any proposed occupant of the Project Facility from one area of the State of New York to another area in the State of New York and will not result in the abandonment of one or more plants or facilities of any occupant of the Project Facility located in the State of New York; and

WHEREAS, the Agency desires to encourage the Company to preserve and advance the job opportunities, health, general prosperity and economic welfare of the people of Herkimer County, New York by undertaking the Project in Herkimer County, New York; and

WHEREAS, interest on the Bonds will not be excludable from gross income for federal income tax purposes unless (A) pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code") and the regulations of the United States Treasury Department thereunder (the "Treasury Regulations"), the issuance of the Bonds is approved by the "applicable elected representative" of Herkimer County, New York after the Agency has held a public hearing on the nature and location of the Project Facility and the issuance of the Bonds; (B) the requirements of Section 142 of the Code are satisfied relating to "qualified residential rental projects"; and (C) pursuant to Section 146 of the Code, there is allocated to the Bonds a portion of the private activity bond volume cap of the Agency and/or the State of New York sufficient to equal the face amount of the Bonds;

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

Section 1. The Agency has reviewed the Application and, based upon the representations made by the Company to the Agency in the Application and at this meeting and, based thereon, the Agency hereby makes the following findings and determinations with respect to the Project:

(A) Based on a preliminary review of the Application and subject to further review by the Agency staff and Bond Counsel, the Project constitutes a "project" within the meaning of the Act; and

(B) The completion of the Project will not result in the removal of a plant or facility of any proposed occupant of the Project Facility from one area of the State of New York to another area in the State of New York and will not result in the abandonment of one or more plants or facilities of any occupant of the Project Facility located in the State of New York; and

(C) The granting of the Financial Assistance by the Agency with respect to the Project, through the issuance of the Bonds and the granting of the various tax exemptions described in Section 2(F) of this Resolution, will promote the job opportunities, health, general prosperity and economic welfare of the inhabitants of Herkimer County, New York and the State of New York and improve their standard of living, and thereby serve the public purposes of the Act; and

(D) Upon compliance with the provisions of the Act and SEQRA, the Agency would then be authorized under the Act to undertake the Project in order to promote the job opportunities, health, general prosperity and economic welfare of the inhabitants of Herkimer County, New York and the State of New York and improve their standard of living.

Section 2. Following full compliance with the requirements of the Act, including, but not limited to the holding of a public hearing pursuant to Section 859-a of the Act, the Agency will (A)

authorize the issuance of the Bonds in such principal amount and with such maturities, interest rate or rates, redemption terms and other terms and provisions as shall be determined by a further resolution of the Agency; (B) acquire an interest in the Project Facility from the Company pursuant to a deed, lease agreement or other documentation to be negotiated between the Agency and the Company (the "Acquisition Agreement"); (C) renovate and reconstruct the Facility and acquire and install the Equipment in the Facility or elsewhere on the Land; (D) lease (with the obligation to purchase) or sell the Project Facility to the Company pursuant to a lease agreement or an installment sale agreement (hereinafter, the "Project Agreement") between the Agency and the Company whereby the Company will be obligated, among other things, (1) to make payments to the Agency in amounts and at times so that such payments will be adequate to enable the Agency to timely pay all amounts due on the Acquisition Agreement and (2) to pay all costs incurred by the Agency with respect to the Project and/or the Project Facility, including all costs of operation and maintenance, all taxes and other governmental charges, any required payments in lieu of taxes, and the reasonable fees and expenses incurred by the Agency with respect to or in connection with the Project and/or the Project Facility; (E) secure the Bonds in such manner as the Agency, the Company and the purchasers of the Bonds shall mutually deem appropriate; and (F) provide the Financial Assistance with respect to the Project, in accordance with the Agency's uniform tax exemption policy, including (1) exemption from mortgage recording taxes with respect to any documents recorded by the Agency with respect to the Project in the office of the County Clerk of Herkimer County, New York or elsewhere, (2) exemption from sales taxes relating to the acquisition, reconstruction, renovation and installation of the Project Facility, (3) exemption from deed transfer taxes on real estate transfers to and from the Agency with respect to the Project, and (4) exemption from real estate taxes (but not including special assessments and special ad valorem levies) relating to the Project Facility, subject to the obligation of the Company to make payments in lieu of taxes with respect to the Project Facility, all as contemplated by the Preliminary Agreement.

Section 3. The undertaking and completing of the Project by the Agency, and the granting of the Financial Assistance with respect to the Project as contemplated by Section 2 of this Resolution, shall be subject to: (A) the determination by the members of the Agency to proceed with the Project following a determination by the members of the Agency that all requirements of (1) SEQRA that relate to the Project have been fulfilled and (2) the public hearing requirements under Section 859-a of the Act have been satisfied; (B) execution and delivery by the Company of the Preliminary Agreement, which sets forth certain conditions for the undertaking and completing of the Project by the Agency, and satisfaction by the Company of all the terms and conditions of the Preliminary Agreement applicable to the Company; (C) agreement by the Agency, the Company and the purchasers of the Bonds on mutually acceptable terms for Bonds and for the sale and delivery thereof and mutually acceptable terms and conditions for the security for the payment thereof; (D) agreement between the Company and the Agency as to payment by the Company of payments in lieu of taxes with respect to the Project Facility, together with the administrative fee of the Agency with respect to the Project; (E) if interest on the Bonds is to be treated as excludable from gross income for federal income tax purposes, (1) satisfaction of the requirements contained in Section 142 of the Code relating to "qualified residential rental projects", (2) the "applicable elected representative" of Herkimer County, New York must have approved the issuance of the Bonds after a public hearing on the issuance of the Bonds and the nature and location of the Project Facility has been held by the Agency, as required by Section 147(f) of the Code, and (3) unless the Agency has sufficient unused allocation of private activity bond volume limit from the State of New York for the particular calendar year in which the Bonds are proposed to be issued and has determined to allocate to the Bonds a portion of such unused allocation of private activity bond volume limit, the Agency must have received notice from the New York State Commissioner of Economic Development that the Agency has received a supplemental allocation for the Bonds from a statewide bond reserve established pursuant to New York State law, all as provided in Section 146 of the Code, it being

understood that by enacting this resolution the Agency is not committing itself to make such an allocation or to issue the Bonds if such an allocation is not made or received; (F) if any portion of the Financial Assistance to be granted by the Agency with respect to the Project is not consistent with the Agency's uniform tax exemption policy, the Agency must follow the procedures for deviation from such policy set forth in Section 874(b) of the Act prior to granting such portion of the Financial Assistance; and (G) the following additional condition(s): None.

Section 4. The form, terms and substance of a preliminary agreement (the "Preliminary Agreement") (in the form typically used by the Agency and recommended by Bond Counsel in similar financings) are in all respects approved, and the Chairman (or Vice Chairman) of the Agency is hereby authorized, empowered and directed to execute and deliver said Preliminary Agreement in the name and on behalf of the Agency.

Section 5. From and after the execution and delivery of the Preliminary Agreement, the officers, agents and employees of the Agency are hereby authorized, empowered and directed to proceed with the undertakings provided for therein on the part of the Agency and are further authorized to do all such acts and things and to execute all such documents as may be necessary or convenient to carry out and comply with the terms and provisions of the Preliminary Agreement as executed.

Section 6. The Company is hereby authorized to conduct such environmental, engineering, economic, feasibility and other studies and preliminary planning and budgetary processes necessary or convenient to enable the Agency to make its final determination whether to approve the Project.

Section 7. It is intended that this Resolution shall constitute an affirmative "official intent" toward the issuance of the Bonds within the meaning of Section 1.103-8(a)(5) and Section 1.150-2(e)(1) of the United States Treasury Regulations.

Section 8. The law firm of Hodgson Russ LLP is hereby appointed Bond Counsel to the Agency with respect to all matters in connection with the Project. Bond Counsel for the Agency is hereby authorized, at the expense of the Company, to work with the Company, counsel to the Company, counsel to the Agency and others to prepare, for submission to the Agency, all documents necessary to effect the transactions contemplated by this Resolution.

Section 9. The Agency hereby authorizes the Chairman of the Agency, prior to the issuance of any portion of the Bonds or the granting of any other Financial Assistance with respect to the Project, after consultation with the members of the Agency, (A) (1) to establish the time, date and place for a public hearing of the Agency to hear all persons interested in the Project and the proposed financial assistance being contemplated by the Agency with respect to the Project; (2) to cause notice of such public hearing to be given to the public by publishing a notice of such hearing in a newspaper of general circulation available to residents of the Village of Herkimer, New York, such notice to comply with the requirements of Section 859-a of the Act and Section 147(f) of the Code and to be published no fewer than ten (10) days prior to the date established for such public hearing; (3) to cause notice of said public hearing to be given to the chief executive officer of the county and each town, village and school district in which the Project is to be located no fewer than ten (10) days prior to the date established for said public hearing; (4) to conduct such public hearing; and (5) to cause a report of said public hearing fairly summarizing the views presented at said public hearing to be promptly prepared and cause copies of said report to be made available to the members of the Agency and (B) to satisfy the public approval requirements contained in Section 147(f) of the Code.

Section 10. The Chairman, Vice Chairman and/or Executive Director of the Agency is hereby authorized and directed to distribute copies of this Resolution to the Company and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 11. This Resolution 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:

Vincent Jim Bono	VOTING	<u>yes</u>
David Chlus	VOTING	<u>yes</u>
John Scarano	VOTING	<u>yes</u>
Michael Werenczak	VOTING	<u>yes</u>
Ann Gaworecki	VOTING	<u>yes</u>
Catherine Ricci	VOTING	<u>yes</u>
Cory Albrecht	VOTING	<u>absent</u>

The foregoing Resolution was thereupon declared duly adopted.

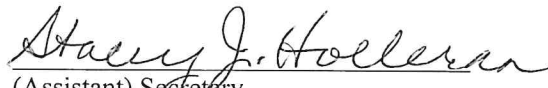
STATE OF NEW YORK)
) SS.:
COUNTY OF HERKIMER)

I, the undersigned (Assistant) Secretary of Herkimer County Industrial Development Agency (the "Agency"), DO HEREBY CERTIFY that I have compared the foregoing extract of the minutes of the meeting of the members of the Agency, including the resolution contained therein, held on November 17, 2021, with the original thereof on file in my office, and that the same is a true and correct copy of such proceedings of the Agency and of such resolution set forth therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respect duly held; (C) pursuant to Article 7 of the Public Officers Law (the "Open Meetings Law"), said meeting was open to the general public, and due notice of the time and place of said meeting was given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present through 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 rescinded.

17th IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this day of November, 2021.


(Assistant) Secretary

(SEAL)