

**Final Authorizing Resolution
STD Realty, LLC/McCraith Beverages Inc.
2022 Facility Expansion**

Transcript Document No. 8

Date: August 19, 2022

At a meeting of the Oneida County Industrial Development Agency (the "Agency") held at 584 Phoenix Drive, Rome, New York 13441 on the 19th day of August 2022, the following members of the Agency were:

Members Present: David Grow, Michael Fitzgerald; Ferris Betrus, Steve Zogby.

Members Present Virtually: Gene Quadraro

EDGE Staff Present: Bill Van Shufflin, Tim Fitzgerald, Laura Cohen; Shawna Papale, Maureen Carney, Mark Kaucher, and Hannah Phillips.

Other Attendees: Rome Mayor Jackie Izzo; Paul Goldman, Esq., Goldman Attorneys, PLLC (WebEx); Linda Romano (WebEx) and Laura Ruberto, Bond, Schoeneck & King; Mark Levitt (WebEx) and Jenna Peppenelli, Levitt & Gordon; Jef Saunders, Saunders-Kahler; Greg Evans, The Indium Corporation of America; Jolene Cleaver, The Daily Sentinel (call-in)

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to proposed financial assistance to STD Realty, LLC (McCraith Beverages Inc. 2022 Facility Expansion).

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

Voting Aye

Voting Nay

David Grow
Michael Fitzgerald
Ferris Betrus
Steve Zogby

(Gene Quadraro exited the meeting before the vote)

RESOLUTION AUTHORIZING THE AGENCY TO EXECUTE THE FIRST AMENDED AND RESTATED LEASE AGREEMENT, THE FIRST LEASEBACK AMENDMENT, THE FIRST AMENDED AND RESTATED PAYMENT-IN-LIEU-OF-TAX AGREEMENT, THE RECAPTURE AGREEMENT AND RELATED DOCUMENTS WITH RESPECT TO THE STD REALTY, LLC (MCCRAITH BEVERAGES INC.) 2022 FACILITY EXPANSION LOCATED IN THE VILLAGE OF NEW YORK MILLS AND TOWN OF NEW HARTFORD, ONEIDA COUNTY.

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended and Chapter 372 of the Laws of 1970 of the State of New York (collectively, the "Act"), the Agency was created with the authority and power among other things, to assist with the acquisition of certain industrial development projects as authorized by the Act; and

WHEREAS, STD Realty, LLC, on behalf of itself and/or the principals of STD Realty, LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "Company") and McCraith Beverages, Inc., on behalf of itself and/or the principals of McCraith Beverages, Inc., and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "Sublessee") previously entered into a transaction with the Oneida County Industrial Development Agency (the "Agency") in which the Agency provided financial assistance in connection with construction of (a) a 19,000± square foot connector building to expand current warehouse space; (b) a 14,250± square foot truck storage garage; (c) loading docks at the existing truck garage and (d) new asphalt truck access drives and stone pavement (collectively the "2018 Improvements"), such 2018 Improvements to be added to an existing 108,000± square foot facility (collectively, the "Existing Improvements"), situated on a 9.37± acre parcel of land located at 20 Burrstone Road, Village of New York Mills, Town of New Hartford, Oneida County, New York (the "Land"), and acquisition and installation of equipment in the Improvements (the "Existing Equipment"), all to be used for the purpose of the wholesale distribution of beer, wine, soda, water, spirits and snacks (the Land, the Existing Improvements and the Existing Equipment referred to collectively as the "Existing Facility"); and

WHEREAS, the Company leases the Existing Facility to the Agency pursuant to a Lease Agreement dated as of December 6, 2018 (the "Lease Agreement"); and

WHEREAS, the Agency leases the Existing Facility back to the Company pursuant to a Leaseback Agreement dated as of December 6, 2018 (the "Leaseback Agreement"); and

WHEREAS, the Company subleases the Existing Facility to the Sublessee for its operation pursuant to a Real Estate Lease Agreement dated June 1, 2015, as amended by a First Amendment to Real Estate Lease Agreement dated December 6, 2018 (collectively, the "Sublease Agreement"); and

WHEREAS, the Agency and the Company entered into a PILOT Agreement dated as of December 6, 2018 (the "PILOT Agreement") with respect to the Existing Facility; and

WHEREAS, the Company and the Sublessee have applied to the Agency to enter into a transaction in which the Agency will assist in the construction of a 23,000± square foot warehouse addition, which will connect the main building at the recycling building to the existing truck garage (the "Addition") and acquisition and installation of equipment in the Addition (the "Equipment"), all for the purpose of expanding the operations and increasing productivity of the Sublessee (the Addition and the Equipment are referred to collectively as the "2022 Facility" and the construction and equipping of the Addition is referred to as the "2022 Project"); and

WHEREAS, in order to induce the Sublessee to develop the 2022 Facility, the Agency is willing to acquire from the Company a leasehold interest in the 2022 Facility pursuant to the terms and conditions contained in a First Amended and Restated Lease Agreement (the "First Amended Lease") and lease said 2022 Facility back to the Company pursuant to the Leaseback Agreement as amended by a First Amendment to Leaseback Agreement (the "First Leaseback Amendment"); and

WHEREAS, the Company will sublease the 2022 Facility to the Sublessee pursuant to the terms of a First Amendment to Sublease Agreement (the "First Sublease Amendment"); and

WHEREAS, the Agency by resolution duly adopted on June 17, 2022 (the "Inducement Resolution") decided to proceed under the provisions of the Act to lease the 2022 Facility and directed that a public hearing be held and enter into the First Amended Lease and First Leaseback Amendment; and

WHEREAS, the Agency conducted a public hearing on July 29, 2022 and has received all comments submitted with respect to the Financial Assistance and the nature and location of the 2022 Facility; and

WHEREAS, the value of the Financial Assistance is described below:

- Sales and use tax exemption not to exceed \$214,720.00
- Exemptions from real property taxes on the incremental increase resulting from the Project, valued at approximately \$182,763

WHEREAS, the Financial Assistance is consistent with the Agency's Uniform Tax Exemption Policy (the "Policy"); 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 2022 Project and the Agency's leasehold interest in the Facility; and

NOW, THEREFORE, BE IT RESOLVED by the Oneida County Industrial Development Agency (a majority of the members thereof affirmatively concurring) as follows:

Section 1. The Agency hereby finds and determines:

(a) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and

(b) The 2022 Facility constitutes a “project”, as such term is defined in the Act; and

(c) The construction and equipping of the 2022 Facility, the leasing of the 2022 Facility to the Company and the Agency’s Financial Assistance with respect thereto, will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of Oneida County and the State of New York and improve their standard of living and thereby serve the public purposes of the Act; and

(d) The construction and equipping of the 2022 Facility is reasonably necessary to induce the Company to maintain and expand its business operations in the State of New York; and

(e) Based upon representations of the Company and Company’s Counsel, the 2022 Facility conforms with the local zoning laws and planning regulations of Oneida County and all regional and local land use plans for the area in which the 2022 Facility is located; and

(f) The SEQRA findings adopted by the Agency at this meeting encompassed the actions to be undertaken by this resolution and no changes have been made since that time to the proposed action that would create new or increased adverse environmental impacts; and

(g) It is desirable and in the public interest for the Agency to undertake the 2022 Project; and

(h) The First Amended Lease is an effective instrument whereby the Company grants the Agency a leasehold interest in the 2022 Facility; and

(i) The First Leaseback Amendment is an effective instrument whereby the Agency leases the 2022 Facility back to the Company by amending the terms of the Leaseback Agreement to add and include the 2022 Facility; and

(j) The First Amended and Restated Payment-in-Lieu-of-Tax Agreement (the “First Amended PILOT”) between the Company and the Agency, in form satisfactory to the Chairman and Agency Counsel, will be an effective instrument whereby the Agency,

the Company and the Sublessee set forth the terms and conditions of their Agreement regarding the Company's (or the Sublessee's) payments in lieu of real property taxes; and

(k) The First Sublease Amendment is an effective instrument whereby the Company leases the 2022 Facility to the Sublessee by amending the terms of the Sublease Agreement to add and include the 2022 Facility; and

(l) The Jobs Creation and Recapture Agreement (the "Recapture Agreement") among the Company, the Sublessee and the Agency will be an effective instrument whereby the Company agrees that the Financial Assistance relating to the 2022 Facility is conditioned upon the Company creating, retaining and maintaining (or causing the Sublessee to create, retain and maintain) certain employment levels as a result of the 2022 Project.

Section 2. In consequence of the foregoing, the Agency hereby determines to: (i) acquire a leasehold interest in the 2022 Facility pursuant to the First Amended Lease, (ii) execute, deliver and perform the First Amended Lease, (iii) lease the 2022 Facility back to the Company pursuant to the First Leaseback Amendment, (iv) execute, deliver and perform the First Leaseback Amendment, (v) execute, deliver and perform the First Amended PILOT, (vi) execute, deliver and perform the Recapture Agreement, and (vii) provide the Financial Assistance to the Company and the Sublessee in support of the 2022 Project.

Section 3. The Agency is hereby authorized to acquire a leasehold interest in the real property described in Exhibit A to the First Amended Lease and the personal property described in Exhibit B to the First Amended Lease and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisition are hereby approved, ratified and confirmed.

Section 4. The form and substance of the First Amended Lease, the First Leaseback Amendment, the Recapture Agreement and the First Amended PILOT (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 5.

(a) The Chairman, Vice Chairman, Treasurer, Secretary or any member of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the First Amended Lease, the First Leaseback Amendment, the Recapture Agreement and the First Amended PILOT, all in substantially the forms thereof presented to this meeting with such changes, variations, omissions and insertions as the Chairman, Vice Chairman, Treasurer, Secretary or any member of the Agency shall approve, and such other related documents as may be, in the judgment of the Chairman, Vice Chairman, Treasurer and Agency Counsel, necessary or appropriate to effect the transactions

contemplated by this resolution (hereinafter collectively called the "Closing Documents"). The execution thereof by the Chairman, Vice Chairman, Treasurer, or any member of the Agency shall constitute conclusive evidence of such approval.

(b) The Chairman, Vice Chairman, Treasurer, Secretary or member of the Agency 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 Leaseback Agreement).

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 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.

Section 7. This resolution shall take effect immediately.

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

I, the undersigned Secretary of the Oneida County Industrial Development Agency (the "Agency"), DO HEREBY CERTIFY:

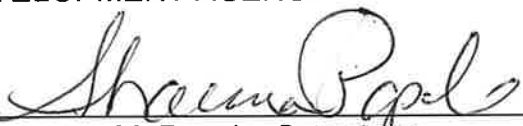
That I have compared the annexed extract of the minutes of the meeting of the Agency, including the resolutions contained therein, held on the 19th day of August 2022 with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of such 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 First Amended Lease, the First Leaseback Amendment, the Recapture Agreement and the First Amended PILOT contained in this transcript of proceedings are each in substantially the form 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) the meeting was open for the public to attend and public notice of the meeting was duly given, (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 15th day of December 2022.

ONEIDA COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

By: 
Shawna M. Papale, Secretary