

**Inducement Resolution
Bonacio Construction Inc. Facility**

RESOLUTION OF THE ONEIDA COUNTY INDUSTRIAL DEVELOPMENT AGENCY TAKING OFFICIAL ACTION TOWARD APPOINTING BONACIO CONSTRUCTION INC., THE PRINCIPALS OF BONACIO CONSTRUCTION INC., AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF ANY OF THE FOREGOING AS AGENT OF THE AGENCY IN CONNECTION WITH A LEASE-LEASEBACK TRANSACTION, AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDUCEMENT AGREEMENT AND MAKING CERTAIN FINDINGS AND DETERMINATIONS WITH RESPECT TO THE PROJECT.

WHEREAS, Bonacio Construction, Inc., on behalf of itself and/or the principals of Bonacio Construction Inc., and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "Company") has applied to the Oneida County Industrial Development Agency (the "Agency") to enter into a transaction in which the Agency will assist in the acquisition of a 3.00± acre parcel of land located at Hangar Road, Griffiss Business and Technology Park, City of Rome, Oneida County, New York (the "Land"); construction on the Land of a three-story, 44,000± square foot office building, together with improvements to infrastructure to service the same (collectively, the "Improvements"); and acquisition and installation of equipment in the Improvements (the "Equipment"), all for the purpose of leasing to two office tenants that serve the intelligence and cybersecurity industries (the Land, the Improvements and the Equipment are referred to collectively as the "Facility" and the construction and equipping of the Improvements is referred to as the "Project"); and

WHEREAS, the Company 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 the Company pursuant to a Leaseback Agreement (the "Leaseback Agreement"); and

WHEREAS, the Company will further sublease portions of the Facility to two office tenants who serve the intelligence and cyber security industries (each a "Sublessee" and collectively, the "Sublessees"); and

WHEREAS, the Company intends to finance a portion of the costs of the Project by securing a loan from a lender to be determined (the "Bank") in the principal sum of

\$7,007,000.00 to be secured by a Mortgage (the "Mortgage") from the Agency and the Company to the Bank; 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 Company requested financial assistance in the form of exemptions from sales and use taxes, exemptions from mortgage recording taxes, and reduction of real property taxes for a period of fifteen years (the "Financial Assistance"), which financial assistance represents a deviation from the Agency's Uniform Tax Exemption Policy; and

WHEREAS, In the Resolution, the Agency contemplates that it will provide financial assistance to the Company in the form of exemptions from sales and use taxes, exemptions from mortgage recording taxes, and exemptions from real property taxes for a period of ten years, during which time the Company will make fixed PILOT Payments (the "Financial Assistance"), which financial assistance represents a deviation from the Agency's Uniform Tax Exemption Policy (the "Policy"), and which will be more particularly set forth in a final authorizing resolution; and

WHEREAS, the Agency determined that a ten-year PILOT is more appropriate for the following reasons: (a) it more closely resembles the Agency's Policy relating to the Sublessees' contemplated industry of back-office operations; (b) it is consistent with the Agency's past practice for facilities that are used for the purpose contemplated by the Sublessees; (c) it coincides with the lease terms for the proposed Sublessees, and (d) it illustrates the Agency's intention to structure requests for similar projects it may receive in the future; and

WHEREAS, based upon representations made by the Company in the Application, the value of the Financial Assistance is described as follows:

- Sales and use tax exemption estimated at \$225,400 but not to exceed \$247,940
- Mortgage recording tax exemption estimated at \$52,533 but not to exceed \$57,786
- Real property tax abatement estimated at \$804,376

WHEREAS, prior to the closing of a lease-leaseback transaction, and the granting of any tax benefits, a public hearing (the "Hearing") will be 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, notice of the Hearing will be given prior to the closing of a lease-leaseback transaction, and the granting of any tax benefits, and such notice (together with proof of publication) will be substantially in the form annexed hereto as **Exhibit A**; and

WHEREAS, the minutes of the Hearing are or will be annexed hereto as **Exhibit B**; and

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

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law and the 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 Company has prepared and submitted to the Agency an Environmental Assessment Form and related documents (the "Questionnaire") with respect to the Facility, a copy of which is on file at the office of the Agency; and

WHEREAS, the City of Rome Planning Board is acting as lead agency for the purposes of SEQRA, and the Agency defers to the determination of the lead agency with respect to SEQRA; and

WHEREAS, prior to the granting of any tax benefits and following the determination of the lead agency, the Agency will complete its environmental review and make determinations for purposes of SEQRA.

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

- Section 1. (a) The acquisition, construction and equipping of the Facility and the Agency's financial assistance therefor, will promote job opportunities, health, general prosperity and the economic welfare of the inhabitants of the County and the people of the State of New York and improve their standard of living, and thereby serve the public purposes of the Act and the same is, therefore, approved.
- (b) It is desirable and in the public interest for the Agency to enter into a lease-leaseback transaction for the purpose of providing financial assistance for the acquisition, renovation and equipping of the Facility, as reflected in the Company's application to the Agency and as amended from time to time prior to the closing of the lease-leaseback transaction.

Section 2. The form and substance of a proposed inducement agreement (in substantially the form presented to this meeting) by and between the Agency and the Company setting forth the undertakings of the Agency and the Company with respect to the closing of the lease-leaseback transaction, and the development of the Facility (the "Agreement") is hereby approved. The Chairman of the Agency is hereby authorized, on behalf of the Agency, to execute and deliver the Agreement, with such

changes in terms and form as the Chairman shall approve. The execution thereof by the Chairman shall constitute conclusive evidence of such approval.

Section 3.

The Agency shall assist the Company in the acquisition, construction and equipping of the Facility and will provide financial assistance with respect thereto subject to (i) obtaining all necessary governmental approvals, (ii) approval of the members of the Company, (iii) approval of the members of the Agency, (iv) satisfactory completion of the environmental review of the Facility by the Agency in compliance with the State Environmental Quality Review Act, (v) agreement by the Agency and the Company upon mutually acceptable terms and conditions for the Leaseback Agreement and other documentation usual and customary to transactions of this nature, (vi) the condition that there are no changes in New York State Law which prohibit or limit the Agency from fulfilling its obligation and commitment as herein set forth to enter into the lease-leaseback transaction and (vii) payment by the Company of the Agency's transaction fee and the fees and disbursements of bond counsel or transaction counsel, more particularly described in the Inducement Agreement.

Section 4.

The Company is herewith and hereby appointed the agent of the Agency to acquire, construct, equip and complete the Facility. The Company is hereby empowered to delegate its status as agent of the Agency to the agents, subagents, contractors, subcontractors, materialmen, suppliers, vendors and such other parties as the Company may choose in order to acquire, construct, equip and complete the Facility. The terms and conditions for the appointment of the Company as agent of the Agency for the purposes described in this resolution are set forth in the form of the attached letter addressed to the Company, marked as **Exhibit C** to this resolution. The form of such letter is incorporated herein by reference and is approved and adopted by the Agency, and the Chairman or Executive Director of the Agency or any other duly authorized official of the Agency are authorized to execute and deliver such letter to the Company upon satisfaction of the conditions described in Section 3 hereof. The Agency hereby appoints the Company, the agents, subagents, contractors, subcontractors, materialmen, vendors and suppliers of the Company as agents of the Agency solely for purposes of making sales or leases of goods, services, and supplies to the Facility, and any such transaction between any agent, subagent, contractor, subcontractor, materialmen, vendor or supplier, and the Company, as agent of the Agency shall be deemed to be on behalf of the Agency and for the benefit of the Facility. The Company shall indemnify the Agency with respect to any transaction of any kind between and among the Company, the agents, subagents, contractors, subcontractors,

materialmen, vendors and/or suppliers and the Company, as agent of the Agency.

Section 5. The Agency is hereby authorized and directed to schedule the Hearing, so that the Agency may receive comments from all interested parties on the financial assistance contemplated by the Agency and the financial assistance requested by the Company.

Section 6. The law firm of Bond, Schoeneck & King, PLLC is appointed Transaction Counsel in connection with the lease-leaseback transaction.

Section 7. Counsel to the Agency and Transaction Counsel are hereby authorized to work with counsel to the Company and others to prepare, for submission to the Agency, all documents necessary to effect the lease-leaseback transaction.

Section 8. The Chairman of the Agency is hereby authorized and directed (i) to distribute copies of this resolution to the Company and (ii) to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this resolution.

Section 9. 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 DO HEREBY CERTIFY THAT:

I have compared the foregoing copy of a resolution of the Oneida County Industrial Development Agency (the "Agency"), with the original thereof on file in the office of the Agency, and that the same is a true and correct copy of such resolution and of the proceedings of the Agency in connection with such matter.

Such resolution was passed at a meeting of the Agency duly convened in public session on February 12, 2020 at eight a.m., local time, at Rome, New York which the following members were:

Members Present: David Grow, Michael Fitzgerald, Steve Zogby; Videoconference: Gene Quadraro

Members Excused: Mary Faith Messenger, Ferris Betrus

EDGE Staff Present: S.J. DiMeo, S. Papale, M. Carney, W. VanShufflin, J. Waters, M. Kaucher

Others Present: Rome Mayor Jackie Izzo; Jenna Peppenelli, Levitt & Gordon; Bill Maxim, Northeast Regional Council of Carpenters; Deli Vargas, North Atlantic States Regional Council of Carpenters; Linda Romano, Bond, Schoeneck & King; Kate Jarosh, Bonacio Construction; Dave Hill, Rome Sentinel

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

M. Fitzgerald voting aye;
D. Grow voting aye;
K. Hinman voting aye;
E. Quadraro voting aye;
S. Zogby voting aye.

and, therefore, the resolution was declared duly adopted.

The Agreement and the Application are in substantially the form presented to and approved at such 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 103a and 104, (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 this 24th day of July 2020.



Shawna Papale, Secretary

EXHIBIT A

NOTICE OF PUBLIC HEARING

**State of New York }
County of Oneida } SS:**

I, Michele Taylor,
being sworn, says he/she is, and during the time herein after mentioned, was
Legal Advertising Representative of the Rome Daily Sentinel,
a newspaper printed and published in the County of Oneida, aforesaid; and that
the annexed printed Notice was inserted and published in said Newspaper
once/commencing

on the 2nd day of April, 20 20

to wit: April 2nd

April 2nd, 20 20

Michele Taylor

Sworn to before me this 8th day of April, 20 20

Eileen M. Pierson Notary Public

EILEEN M. PIERSON
NOTARY PUBLIC, STATE OF NEW YORK
No. 0716360556
Qualified in Oneida County
My Commission Expires June 19, 2021

**LEGAL NOTICE
NOTICE OF PUBLIC
HEARING**

NOTICE IS HEREBY GIVEN that a public hearing pursuant to Article 18-A of the New York State General Municipal Law, will be held by the Oneida County Industrial Development Agency (the "Agency") on the 16th day of April 2020 at 9:00 a.m., local time, at 584 Phoenix Drive, City of Rome, New York in connection with the following matters:

Bonacio Construction Inc., on behalf of itself and/or the principals of Bonacio Construction Inc., and/or Hangar Road Rome, LLC, an entity formed on behalf of the foregoing and/or an entity to be formed on behalf of any of the foregoing (collectively, the "Company") has applied to the Oneida County Industrial Development Agency (the "Agency") to enter into a transaction in which the Agency will assist in the acquisition of a 3.00± acre parcel of land located at Hangar Road, Griffiss Business and Technology Park, City of Rome, Oneida County, New York (the "Land"); construction on the Land of a three-story, 44,000± square foot office building, together with improvements to infrastructure to service the same (collectively, the "Improvements"); and acquisition and installation of equipment in the Improvements (the "Equipment"), all for the purpose of leasing to two office tenants that serve the intelligence and cybersecurity industries (the Land, the Improvements and the Equipment are referred to collectively as the "Facility" and the construction and equipping of the Improvements is referred to as the "Project"). The Facility will be initially operated and/or managed by the Company.

The Agency owns the Land and leases it to Griffiss Local Development Corporation ("GLDC"). The Agency will either convey the Facility to GLDC to be conveyed to the Company and enter into a lease-leaseback transaction with the Company, or will release GLDC from the Lease Agreement to enter into a sale-leaseback with the Company. At the end of the lease term, the Agency will terminate its leasehold interest in the Facility. The Agency is contemplating providing financial assistance in the form of reduction of real property taxes for a period

of ten years, exemptions from mortgage recording taxes and exemptions from sales tax on materials and equipment acquired and installed in connection with the Project, which financial assistance is a deviation from the Agency's Uniform Tax Exemption Policy, to be more particularly described in a Final Authorizing Resolution to be adopted by the Agency prior to the closing of the transactions described herein.

Because of the Novel Coronavirus (COVID-19) Emergency and State and Federal bans on large meetings or gatherings and pursuant to Governor Cuomo's Executive Order 220.1 issued on March 12, 2020 suspending the Open Meetings Law, the Public Hearing will be held electronically via conference call instead of a public hearing open for the public to attend. Members of the public may listen to the Public Hearing and comment on the Project and the benefits to be granted to the Applicant by the Agency during the Public Hearing by calling 1-408-418-9388 (Access code: 793 277 703). Comments may also be submitted to the Agency in writing or electronically. Minutes of the Public Hearing will be transcribed and posted on the Agency's website. A copy of the Application for Financial Assistance filed by the Company with the Agency, including an analysis of the costs and benefits of the proposed Project, is available for public inspection at the offices of the Agency, 584 Phoenix Drive, Rome, New York.

**ONEIDA COUNTY
INDUSTRIAL
DEVELOPMENT AGENCY**

Dated: March 31, 2020

By: /s/ Shawna M. Papale,
Executive Director

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EXHIBIT B

MINUTES OF PUBLIC HEARING

MINUTES OF PUBLIC HEARING

Oneida County Industrial Development Agency
2020 Real Estate Lease
Bonacio Construction Inc. Facility

1. Mark Kaucher, representing the Oneida County Industrial Development Agency (the "Agency"), called the hearing to order.
2. Mr. Kaucher also recorded the minutes of the hearing.
3. Mr. Kaucher then described the proposed project and related financial assistance as follows:

Bonacio Construction Inc., on behalf of itself and/or the principals of Bonacio Construction Inc., and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "Company") has applied to the Oneida County Industrial Development Agency (the "Agency") to enter into a transaction in which the Agency will assist in the acquisition of a 3.00± acre parcel of land located at Hangar Road, Griffiss Business and Technology Park, City of Rome, Oneida County, New York (the "Land"); construction on the Land of a three-story, 44,000± square foot office building, together with improvements to infrastructure to service the same (collectively, the "Improvements"); and acquisition and installation of equipment in the Improvements (the "Equipment"), all for the purpose of leasing to two office tenants that serve the intelligence and cybersecurity industries (the Land, the Improvements and the Equipment are referred to collectively as the "Facility" and the construction and equipping of the Improvements is referred to as the "Project"). The Facility will be initially operated and/or managed by the Company.

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4. Mr. Kaucher then opened up the hearing for comments from the floor for or against the proposed financial assistance and the location and nature of the Facility. Attached is a listing of the persons heard and a summary of their views.
5. Mr. Kaucher then asked if there were any further comments, and, there being none, the hearing was closed at 9:15 a.m.

A handwritten signature in black ink that reads "Mark Kaucher". The signature is written in a cursive style with a long horizontal line extending to the right.

Mark Kaucher

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

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

That I have compared the foregoing copy of the minutes of a public hearing held by the Oneida County Industrial Development Agency (the "Agency") on April 16, 2020 at 9:00 a.m. local time, at 584 Phoenix Drive, City of Rome, New York, with the original thereof on file in the office of the Agency, and that the same is a true and correct copy of the minutes in connection with such matter.

I FURTHER CERTIFY that (i) because of the Novel Coronavirus (COVID-19) Emergency and State and Federal bans on large meetings or gatherings and pursuant to Governor Cuomo's Executive Order 220.1 issued on March 12, 2020 suspending the Open Meetings Law, the hearing was held electronically via conference call instead of a public meeting open for the public to attend in person, and members of the public were provided with call-in information to listen to the meeting and minutes of the hearing are (or will be) transcribed and posted on the Agency's website, pursuant to Title 1 of Article 18-A of the New York General Municipal Law, (ii) the hearing in all respects was duly held, and (iii) members of the public had an opportunity to be heard.

IN WITNESS WHEREOF, I have hereunto set my hand as of July 24, 2020.



Secretary

EXHIBIT C

AGENCY APPOINTMENT LETTER AND FORM ST-60