

## INDUCEMENT AGREEMENT AND PROJECT AGREEMENT

THIS INDUCEMENT AGREEMENT AND PROJECT AGREEMENT RELATING TO THE **GRIFFISS LOCAL DEVELOPMENT CORPORATION 2023 MASTER LEASE AND PILOT EXTENSION** (the "AGREEMENT") is between the **ONEIDA COUNTY INDUSTRIAL DEVELOPMENT AGENCY**, a public benefit corporation of the State of New York, with offices at 584 Phoenix Drive, Rome, New York 13441 (the "Agency") and **GRIFFISS LOCAL DEVELOPMENT CORPORATION** ("GLDC") a local development corporation duly organized, validly existing and in good standing under the laws of the State of New York, with offices at 584 Phoenix Drive, Rome, New York 13441.

Article 1. Preliminary Statement. Among the matters of mutual inducement which have resulted in the execution of this AGREEMENT are the following:

1.01. The Agency is authorized and empowered by the provisions 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, as may be amended from time to time (collectively, the "Act") to undertake "Projects" (as defined in the Act) and to lease or sell the same upon such terms and conditions as the Agency may deem advisable.

1.02. The purposes of the Act are (i) to promote industry and develop trade by inducing manufacturing, industrial, warehousing, research, recreation and commercial enterprises to locate or remain in the State and (ii) to encourage and assist in the providing of industrial pollution control facilities and (iii) to promote the economic welfare and prosperity of the inhabitants of the State. The Act vests the Agency with all powers necessary to enable it to accomplish such purposes.

1.03. (a) In 1999 GLDC requested that the the Agency assist in (i) the acquisition from the United States of America, acting by and through the Secretary of the Air Force (the "Air Force") of certain parcels of land measuring approximately 1,600 acres in the aggregate at the former Griffiss Air Force Base and the numerous buildings situated thereon; (ii) demolition of and renovations to the existing buildings and construction of certain additions thereto; (iii) construction of new buildings; and (iv) the acquisition and installation of equipment thereon, to be used for the coordination of redevelopment efforts for the realigned Griffiss Air Force Base (collectively, the "GLDC Facilities") and the development and/or redevelopment thereof into the Griffiss Business and Technology Park (the "Griffiss Park").

(b) Through a number of transactions that transpired between 2000 and 2018, the Air Force conveyed to the Agency the fee interest in the GLDC Facilities and the Agency leased each of the GLDC Facilities to GLDC under a number of sale-leaseback transactions. Over the years the Agency has divested itself of a number of the GLDC Facilities and currently retains fee ownership in lands at Griffiss that can be divided into two broad categories:

(i) 113 ± acres of vacant lands which are developable (collectively, the “Developable Properties”); and

(ii) 927 ± acres of lands which are devoted primarily to common area or public uses or lands which have been set aside for other open space purposes including the Griffiss Sculpture Park, the Bomber disc golf course and the Griffiss trail system (collectively, the “Open Space Properties”).

(c) The Agency currently leases the Developable Properties and the Open Space Properties (collectively, the “GLDC Properties”) to GLDC pursuant to: (1) a Lease Agreement dated as of July 1, 2012 (the “GLDC Master Lease”), (2) a Lease Agreement dated as of November 1, 2012 (the “GLDC Properties XVI Lease”) and (3) a Lease Agreement dated as of August 1, 2013 (the “GLDC Properties XVII Lease” and together with the GLDC Master Lease and the GLDC Properties XVI Lease the “GLDC Leases”). The GLDC Properties are fully exempt from real property taxes pursuant to the terms of the following documents: (1) a PILOT Agreement dated as of July 1, 2012 (the “GLDC Master PILOT”); (2) a PILOT Agreement dated as of November 1, 2012 (the “GLDC Properties XVI PILOT”); and (3) a PILOT Agreement dated as of August 1, 2013 (the “GLDC Properties XVII PILOT” and together with the GLDC Master PILOT and the GLDC Properties XVI PILOT, the “GLDC Zero PILOT Agreements”). Under the GLDC Leases, GLDC is obligated to notify the Agency when it enters into a contract to sell or lease any portion of the GLDC Properties to a third party (an “End User”) so GLDC and the Agency can release said property from the GLDC Leases and the GLDC Zero PILOT Agreements.

(d) In order to position GLDC so that it can continue its development and/or redevelopment efforts at Griffiss Park, GLDC has applied to the Agency requesting the following (collectively, the “GLDC 2023 Master Lease Extension Project”):

- (i) to amend and consolidate the GLDC Master Lease so as to include the leased premises currently covered by each of the GLDC Properties XVI Lease and the GLDC Properties XVII Lease with the leased premises currently covered by the GLDC Master Lease;
- (ii) to amend and consolidate the GLDC Master PILOT so that it covers all of the leased premises described in the GLDC Master Lease (as so amended and consolidated); and
- (iii) to extend the term of the GLDC Master Lease (as so amended and consolidated) and the accompanying GLDC Master PILOT (as so amended and consolidated) as follows:
  - for an additional ten (10) exemption years as to the Developable Properties; and

- for an additional ten (10) exemption years as to the Open Space Properties;

provided however that upon notice that GLDC has entered into a contract to sell or lease any portion of the GLDC Properties to an End User, the Agency will convey that portion of the GLDC Properties to GLDC, at which time it will be released from the GLDC Master Lease (as so amended and consolidated) and the GLDC Master PILOT (as so amended and consolidated).

1.04. GLDC hereby represents to the Agency that the GLDC 2023 Master Lease Extension Project is not expected to result in the removal of an industrial or manufacturing plant from one area of the State to another area of the State or an abandonment of one or more plants of GLDC located in the State.

1.05. The Agency has determined that the GLDC 2023 Master Lease Extension Project, as described in the Application, will promote and further the purposes of the Act.

1.06. On March 28, 2023 the Agency adopted a resolution (the "Resolution" or the "Inducement Resolution") agreeing to undertake the GLDC 2023 Master Lease Extension Project in order to assist GLDC and to effectuate the purposes of the Act and, subject to the happening of all acts, conditions and things required precedent to such undertaking and the satisfactory completion of such additional acts and reviews as the Agency may deem appropriate, to undertake an amended and consolidated sale-leaseback transaction in connection with the GLDC 2023 Master Lease Extension Project.

1.07. (a) In the Resolution, the Agency contemplates that it will provide financial assistance to GLDC by extending the Agency's ownership of the GLDC Properties and therefore extending the period of time during which the GLDC Properties will be fully exempt from real property taxes as described above (the "Financial Assistance"), which Financial Assistance is 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. The reasons the Agency is contemplating deviating from Policy are described in the Resolution.

(b) Based upon representations made by GLDC in the Application, the value of the Financial Assistance currently authorized by the Agency is estimated to range between \$0 and \$6,781,293.00.

1.08. It is understood and agreed by the parties that the purpose of the Agency's provision of Financial Assistance with respect to the GLDC 2023 Master Lease Extension Project is to promote, develop, encourage and assist in the acquiring,

constructing, reconstructing, improving, maintaining, equipping and furnishing of the GLDC Properties to advance job opportunities, health, general prosperity and economic welfare of the people of Oneida County and to otherwise accomplish the public purpose of the Act.

1.09. Attached as Exhibit A to this Agreement is a copy of the PILOT Agreement that reflects the Financial Assistance currently contemplated by the Agency in the Resolution. GLDC acknowledges that the Agency (a) reserves all rights to amend the PILOT Agreement to reflect the terms of the Financial Assistance for which the Agency grants final approval as it authorizes in the final authorizing resolution and (b) is under no obligation to enter into the PILOT Agreement unless all conditions described in Section 4.02 hereof are met to the satisfaction of the Agency.

Article 2. Undertakings on the Part of the Agency. Based upon the statements, representations and undertakings of GLDC regarding the GLDC Properties and the GLDC 2023 Master Lease Extension Project and subject to the conditions set forth herein, the Agency hereby confirms and acknowledges:

2.01. Upon satisfactory completion of the conditions precedent set forth herein and in the Resolution and the satisfactory completion of such additional acts and reviews as the Agency may deem appropriate, the Agency will (A) adopt, or cause to be adopted, such proceedings and authorize the execution of such documents as may be necessary or advisable for (i) an amended and consolidated sale-leaseback transaction, and (ii) the continued leasing of the GLDC Properties to GLDC pursuant to the extended GLDC Master Lease (as so amended and consolidated), all as shall be authorized by law and be mutually satisfactory to the Agency and GLDC and (B) shall enter into an amended and consolidated sale-leaseback transaction pursuant to the terms of the Act, as then in force, for the purpose of financing certain costs of the GLDC Properties.

2.02. The GLDC Master Lease shall be amended and consolidated to include the leased premises currently covered by each of the GLDC Facility XVI Lease and the GLDC Facility XVII Lease with the leased premises currently covered by the GLDC Master Lease and to extend the Lease Term for an additional ten (10) years and shall obligate GLDC to make aggregate basic payments in the amount of \$1.00 relating to the GLDC Properties as and when the same shall become due and payable. GLDC shall be entitled to acquire from the Agency title to the GLDC Properties for an aggregate amount of \$1.00, plus such additional amounts as prescribed in the GLDC Master Lease. The GLDC Master Lease (as amended and consolidated) shall contain all provisions required by law and such other provisions as shall be mutually acceptable to the Agency and GLDC.

2.03. That all services, costs and expenses of whatever nature incurred in connection with the GLDC 2023 Master Lease Extension Project and the installation,

replacement, rebuilding, restoration, repair, maintenance and operation of the GLDC Properties have been and will continue to be undertaken by GLDC.

2.04. That, in connection with any lease by the Agency to GLDC that is, in turn, subleased or leased by GLDC, it is the intent of all parties to the transactions that any sublease or lease is undertaken by GLDC as agent for the Agency.

2.05. That, at the request of GLDC, and subject to the agreement between the Agency and GLDC, any future transfers of fee or leasehold interest of any portion of real property upon which the GLDC Properties are located and not owned by the Agency, are hereby authorized, and there shall be no need for any further official action on behalf of the Agency other than the execution of the appropriate documents evidencing such transfer.

2.06. The Agency will take or cause to be taken such other acts and adopt such further proceedings as may be required to implement the aforesaid undertakings or as it may deem appropriate in pursuance thereof.

Article 3. Undertakings on the Part of GLDC. Based upon the statements, representations and undertakings of the Agency herein and in the Resolution and subject to the conditions set forth herein and in the Resolution, GLDC agrees as follows:

3.01. [Intentionally Omitted]

3.02. [Intentionally Omitted]

3.03. GLDC agrees to (a) continue to develop and redevelop the GLDC Properties consistent with the efforts set forth in the Memorandum of Understanding executed among the parties at the time of the BRAC realignment of Griffiss and (b) continue the stewardship of the GLDC Properties, all as described in the Application (collectively, the "Project Obligation").

3.04. Contemporaneously with the closing of the amended and consolidated sale-leaseback transaction GLDC will enter into the amended and consolidated GLDC Master Lease with the Agency containing, among other things, the terms and conditions described in Section 2.02 hereof.

3.05. (a) GLDC shall not permit to stand, and will, at its own expense, take all steps reasonably necessary to remove (or bond the same if acceptable to the Agency and its counsel), any mechanics' or other liens against the GLDC Properties for labor or materials furnished in connection with the GLDC 2023 Master Lease Extension Project. GLDC shall forever defend, indemnify and hold the Agency, its members, officers, employees, and agents, and anyone for whose acts or omissions the Agency or any of them may be liable, harmless from and against all costs, losses, expenses, claims, damages and liabilities of whatever kind or nature arising, directly or indirectly, out of or

based on labor, services, materials and supplies, including equipment, ordered or used in connection with the GLDC 2023 Master Lease Extension Project or arising out of any contract or other arrangement therefor (and including any expenses incurred by the Agency in defending any claims, suits or actions which may arise as a result of any of the foregoing).

(b) GLDC shall forever defend, indemnify and hold harmless the Agency, its members, officers, employees and agents, and anyone for whose acts or omissions the Agency or any of them may be liable, from and against all claims, causes of action, liabilities and expenses (including without limitation attorneys' fees) howsoever arising for loss or damage to property or any injury to or death of any person (including, without limitation, death of or injury to any employee of GLDC or any sublessee) that may occur subsequent to the date hereof by any cause whatsoever in relation to the GLDC Properties including the failure to comply with the provisions of Article 3.05 hereof, or arising, directly or indirectly, out of the GLDC 2023 Master Lease Extension Project or the ownership, acquisition, operation, maintenance, repair or financing of the GLDC Properties, and including, without limitation, any expenses incurred by the Agency in defending any claims, suits or actions which may arise as a result of the foregoing.

(c) The defense and indemnities provided for in this Article 3 shall apply whether or not the claim, liability, cause of action or expense is caused or alleged to be caused, in whole or in part, by the activities, acts, fault or negligence of the Agency, its members, officers, employees and agents, anyone under the direction and control of any of them, or anyone for whose acts or omissions the Agency or any of them may be liable, and whether or not based upon the breach of a statutory duty or obligation or any theory or rule of comparative or apportioned liability, subject only to any specific prohibition relating to the scope of indemnities imposed by law. Without limiting the generality of the foregoing, the foregoing indemnifications shall apply to and encompass any action (or alleged failure to act) of the Agency pursuant to the SEQR Act.

(d) GLDC shall provide and carry workers' compensation and disability insurance as required and if required by law, and comprehensive liability insurance with such coverages (including, without limitation, owner's protective for the benefit of the Agency and contractual coverage covering the indemnities herein provided for), with such limits and with such companies as may be approved by the Agency. Attached hereto as Exhibit B are the Agency's insurance requirements that will be contained in the GLDC Master Lease (as amended and consolidated). Upon the request of the Agency, GLDC shall provide certificates of insurance in form satisfactory to the Agency evidencing such insurance.

3.06. With the exception of the authorizations required to be adopted by the Agency for the Agency to enter into the amended and consolidated sale-leaseback transaction, GLDC agrees that it will comply with all the requirements of all federal, state and local laws, rules and regulations of whatever kind and howsoever denominated applicable to GLDC with respect to the GLDC Properties, the GLDC 2023 Master Lease

Extension Project, the operation and maintenance of the GLDC Properties and the financing thereof. Every provision required by law to be inserted herein shall be deemed to be set forth herein as if set forth in full; and upon the request of either party, this AGREEMENT shall be amended to specifically set forth any such provision or provisions. GLDC certifies, under penalty of perjury, that it is in substantial compliance with all local, state and federal tax, worker protection and environmental laws, rules and regulations.

3.07. GLDC will take such further action and adopt such further proceedings as may be required to implement its aforesaid undertakings or as it may deem appropriate in pursuance thereof.

3.08. If it should be determined that any State or local sales or compensatory use taxes or similar taxes however denominated are payable with respect to the acquisition, purchase or rental of machinery or equipment, materials or supplies in connection with the GLDC 2023 Master Lease Extension Project, or are in any manner otherwise payable directly or indirectly in connection with the GLDC Properties, GLDC shall pay the same and shall defend and indemnify the Agency from and against any liability, expenses and penalties arising out of, directly or indirectly, the imposition of any such taxes.

3.09. [Intentionally Omitted]

3.10. If the GLDC Properties are leased to another party by the Agency and subleased to GLDC, then in such event, GLDC guarantees all of the covenants, undertakings and indemnities of such other party as set forth in this Article 3.

3.11. GLDC agrees, whenever requested by the Agency, to provide and certify or cause to be provided and certified such information concerning GLDC, its finances, its operations and its affairs as may be necessary to enable the Agency to make any report required by law, governmental regulation or under any of the Agency Documents.

3.12. In accordance with the policies of the Agency, and the Resolution, GLDC covenants and agrees that it may be subject to recapture of any and all Financial Assistance if it is determined by the Agency that:

(a) GLDC has knowingly made a material false or misleading statement, or knowingly omitted any information which, if included, would have rendered any information in the application or supporting documentation false or misleading in any material respect, on its application for Financial Assistance; or

(b) GLDC failed to submit to the Agency its annual report or any information as the Agency may reasonably request so that the Agency can confirm that GLDC is achieving the Project Obligation of the GLDC 2023 Master Lease Extension Project.

If the Agency determines to recapture any Financial Assistance, GLDC agrees and covenants that it will (i) cooperate with the Agency in its efforts to recover or recapture any or all Financial Assistance obtained by GLDC and (ii) promptly pay over any or all such amounts to the Agency that the Agency demands in connection therewith. Upon receipt of such amounts, the Agency shall then redistribute such amounts to the appropriate affected tax jurisdiction(s), unless agreed to otherwise by any tax jurisdiction(s).

3.12. GLDC acknowledges that the Agency's Financial Assistance is considered to be public funds under Section 224-a of the New York State Labor Law ("Prevailing Wage Requirements"). The Agency has determined that the Financial Assistance ranges between \$0 and \$6,781,293.00 in the aggregate. If GLDC determines that the GLDC 2023 Master Lease Extension Project is considered to be a "covered facility" under the Prevailing Wage Requirements, GLDC acknowledges it is obligated under Subdivision 8(a) of the Prevailing Wage Requirements to certify under penalty of perjury within five (5) days of commencement of construction work whether the GLDC 2023 Master Lease Extension Project is subject to the provisions of the Prevailing Wage Requirements. Compliance with Prevailing Wage Requirements, if required, is wholly the obligation of GLDC, and failure to comply may result in a stop-work order.

#### Article 4. General Provisions.

4.01. This AGREEMENT sets forth the terms and conditions under which Financial Assistance shall be provided to GLDC; no Financial Assistance shall be provided to GLDC prior to the effective date of this Agreement. This AGREEMENT shall remain in effect until the amended and consolidated GLDC Master Lease becomes effective. It is the intent of the Agency and GLDC that this AGREEMENT be superseded in its entirety by the amended and consolidated GLDC Master Lease, except for the indemnities and guarantee of indemnities contained herein, which shall survive.

4.02. (a) It is understood and agreed by the Agency and GLDC that entering into the amended and consolidated sale-leaseback transaction and the execution of the amended and consolidated GLDC Master Lease and related documents are subject to (i) obtaining all necessary governmental approvals, (ii) approval of the directors of GLDC, (iii) approval of the members of the Agency, (iv) satisfactory completion of the environmental review of the GLDC Properties by the Agency in compliance with the State Environmental Quality Review Act, (v) agreement by the Agency and GLDC upon mutually acceptable terms and conditions for the amended and consolidated GLDC Master Lease 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 amended and consolidated sale-leaseback transaction and (vii) payment by GLDC of the Agency's transaction fee and the fees and disbursements



of bond counsel or transaction counsel. The Agency hereby waives its transaction fee in connection with the GLDC 2023 Master Lease Extension Project, consistent with its past action in support of the development of the Griffiss Business Park.

4.03. GLDC agrees that it will reimburse the Agency for all reasonable and necessary direct out-of-pocket expenses that the Agency may incur as a consequence of executing this AGREEMENT or performing its obligations hereunder. Examples of such expenses include, but are not limited to, photocopies, phone and fax charges, postage and other shipping charges incurred in connection with closing the amended and consolidated sale-leaseback transaction or complying with any requests after closing relating to the amended and consolidated sale-leaseback transaction.

4.04. This AGREEMENT and the Financial Assistance contemplated by the Agency hereunder shall be valid for a period of twelve (12) months from the Inducement Date. If for any reason the amended and consolidated sale-leaseback transaction does not close on or before twelve (12) months from the Inducement Date, GLDC shall submit a written request to the Agency describing the reasons for the delay and requesting this AGREEMENT be extended for a period of twelve (12) months under the same terms and conditions contained herein.

4.05. If for any reason the amended and consolidated sale-leaseback transaction does not close on or before twelve (12) months from the Inducement Date and is not extended by written agreement of the parties, the provisions of this AGREEMENT (other than the provisions of Articles 3.05, 3.06, 3.07 and 3.08 above, which shall survive) shall terminate and be of no further force or effect, and following such termination neither party shall have any rights against the other party except:

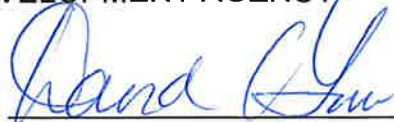
(a) GLDC shall pay the Agency for all expenses which were incurred by the Agency in connection with the GLDC 2023 Master Lease Extension Project;

(b) GLDC will pay the out-of-pocket expenses of members of the Agency, counsel for the Agency and Transaction Counsel incurred in connection with the GLDC 2023 Master Lease Extension Project and will pay the reasonable fees of counsel for the Agency and Transaction Counsel for legal services relating to the GLDC 2023 Master Lease Extension Project or the proposed financing thereof.

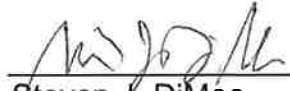
[signature page follows]

IN WITNESS WHEREOF, the parties hereto have entered into this AGREEMENT to be effective as of March 28, 2023.

ONEIDA COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY

By:   
David C. Grow  
Chairman

GRIFFISS LOCAL DEVELOPMENT  
CORPORATION

By:   
Steven J. DiMeo  
Authorized Representative

**CERTIFICATION OF FACILITY OPERATOR**

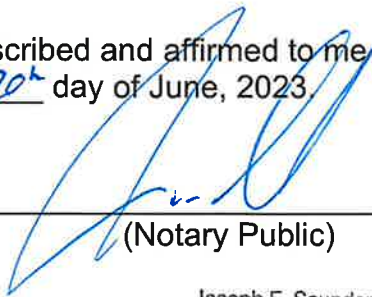
STATE OF NEW YORK    )  
COUNTY OF ONEIDA    ) ss.:

Steven J. DiMeo being first duly sworn, deposes and says:

1. That I am the Authorized Representative of **Griffiss Local Development Corporation (“GLDC”)** and that I am duly authorized on behalf of GLDC to bind GLDC and to execute this Agreement.
2. That GLDC confirms and acknowledges that the owner, occupant, or operator receiving Financial Assistance for the GLDC 2023 Master Lease Extension Project is in substantial compliance with all applicable local, state and federal tax, worker protection and environmental laws, rules and regulations.

  
\_\_\_\_\_  
(Signature of Officer)

Subscribed and affirmed to me under penalties of perjury  
this 20<sup>th</sup> day of June, 2023.

  
\_\_\_\_\_  
(Notary Public)

Joseph E. Saunders  
NOTARY PUBLIC, State of New York  
Appointed in Oneida County  
License No. 02SA4745082  
My Commission Expires: 11/30/ 2025

**EXHIBIT A**

Transcript Document No. [ ]

GRIFFISS LOCAL DEVELOPMENT CORPORATION

and

ONEIDA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

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PAYMENT-IN-LIEU-OF-TAX AGREEMENT

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Oneida County Industrial Development Agency  
2023 Master Lease Amendment and Consolidation  
(Griffiss Business and Technology Park)

Oneida County, City of Rome, Rome City School District

Tax Account Nos.: See Exhibit A attached hereto

## PAYMENT-IN-LIEU-OF-TAX AGREEMENT

THIS PAYMENT-IN-LIEU-OF-TAX AGREEMENT, dated as of June 1, 2023 (this "GLDC Master PILOT Agreement" or "Agreement"), is by and between **GRIFFISS LOCAL DEVELOPMENT CORPORATION** ("GLDC") a local development corporation duly organized, validly existing and in good standing under the laws of the State of New York, with offices at 584 Phoenix Drive, Rome, New York 13441 and **ONEIDA COUNTY INDUSTRIAL DEVELOPMENT AGENCY**, an industrial development agency and a public benefit corporation of the State of New York having its principal office at 584 Phoenix Drive, Rome, New York 13441 (the "Agency").

### W I T N E S S E T H:

WHEREAS, the Agency is authorized and empowered by the provisions of Title 1 of Article 18-A of the General Municipal Law, Chapter 99 of the Consolidated Laws of New York, as amended, (the "Enabling Act"), and Chapter 372 of the Laws of 1970 of the State of New York, as amended, constituting Section 901 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, among others, industrial facilities for the purpose of promoting, attracting and developing economically sound commerce and industry in order 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, Griffiss Local Development Corporation, a New York local development corporation ("GLDC"), was formed in 1994 to lead our region's response to the Federal Government's decision to close and/or realign the former Griffiss Air Force Base in the City of Rome and Oneida County and has operated exclusively for the charitable and public/quasi-public purposes of participating in the development and implementation of a comprehensive strategy to maintain, strengthen and expand the uses and viability of the former Griffiss Air Force Base, including, without limitation, the Rome Laboratory; and

WHEREAS, in 1999 GLDC requested that the Oneida County Industrial Development Agency (the "Agency") assist in (i) the acquisition from the United States of America, acting by and through the Secretary of the Air Force (the "Air Force") of certain parcels of land measuring approximately 1,600 acres in the aggregate at the former Griffiss Air Force Base and the numerous buildings situated thereon; (ii) demolition of and renovations to the existing buildings and construction of certain additions thereto; (iii) construction of new buildings; and (iv) the acquisition and

installation of equipment thereon, to be used for the coordination of redevelopment efforts for the realigned Griffiss Air Force Base (collectively, the "GLDC Facilities") and the development and/or redevelopment there into the Griffiss Business and Technology Park (the "Griffiss Park"); and

WHEREAS, through a number of transactions that transpired between 2000 and 2018, the Air Force conveyed to the Agency the fee interest in the GLDC Facilities and the Agency leased each of the GLDC Facilities to GLDC under a number of sale-leaseback transactions; and

WHEREAS, over the years the Agency has divested itself of a number of the GLDC Facilities and currently retains fee ownership in lands at Griffiss that can be divided into two broad categories:

(A) 113 ± acres of vacant lands which are developable (collectively, the "Developable Properties"); and

(B) 927 ± acres of lands which are devoted primarily to common area or public uses or lands which have been set aside for other open space purposes including the Griffiss Sculpture Park, the Bomber disc golf course and the Griffiss trail system (collectively, the "Open Space Properties"); and

WHEREAS, the Agency currently leases the Developable Properties and the Open Space Properties (collectively, the "GLDC Properties") to GLDC pursuant to: (1) a Lease Agreement dated as of July 1, 2012 (the "GLDC Master Lease"), (2) a Lease Agreement dated as of November 1, 2012 (the "GLDC Facility XVI Lease") and (3) a Lease Agreement dated as of August 1, 2013 (the "GLDC Facility XVII Lease" and together with the GLDC Master Lease and the GLDC Facility XVI Lease the "GLDC Leases"); and

WHEREAS, the GLDC Properties are fully exempt from real property taxes pursuant to the terms of the following documents: (1) a PILOT Agreement dated as of July 1, 2012 (the "GLDC Master PILOT"); (2) a PILOT Agreement dated as of November 1, 2012 (the "GLDC Facility XVI PILOT"); and (3) a PILOT Agreement dated as of August 1, 2013 (the "GLDC Facility XVII PILOT" and together with the GLDC Master PILOT and the GLDC Facility XVI PILOT, the "GLDC Zero PILOT Agreements"); and

WHEREAS, under the GLDC Leases, GLDC is obligated to notify the Agency when it enters into a contract to sell or lease any portion of the GLDC Properties to a third party (an "End User") so GLDC and the Agency can release said property from the GLDC Leases and the GLDC Zero PILOT Agreements; and

WHEREAS, in order to position GLDC so that it can continue its development and/or redevelopment efforts at Griffiss Park, GLDC has applied to the Agency requesting the following (collectively, the “GLDC 2023 Master Lease Extension Project”):

- (a) to amend and consolidate the GLDC Master Lease so as to include the leased premises currently covered by each of the GLDC Facility XVI Lease and the GLDC Facility XVII Lease with the leased premises currently covered by the GLDC Master Lease;
- (b) to amend and consolidate the GLDC Master PILOT so that it covers all of the leased premises described in the GLDC Master Lease (as so amended and consolidated); and
- (c) to extend the term of the GLDC Master Lease (as so amended and consolidated) and the accompanying GLDC Master PILOT (as so amended and consolidated) as follows:
  - (i) for an additional ten (10) exemption years as to the Developable Properties; and
  - (ii) for an additional ten (10) exemption years as to the Open Space Properties;

provided however that upon notice that GLDC has entered into a contract to sell or lease any portion of the GLDC Properties to an End User, the Agency will convey that portion of the GLDC Properties to GLDC, at which time it will be released from the GLDC Master Lease (as so amended and consolidated) and the GLDC Master PILOT (as so amended and consolidated); and

WHEREAS, in order to induce GLDC to continue to develop and/or redevelop the GLDC Properties, the Agency is willing to extend the Lease Term (as said term is defined in the GLDC Leases); and

WHEREAS, the Agency has agreed to maintain its fee interest in the GLDC Properties in order to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York; and

WHEREAS, the GLDC Properties have been exempt from real property taxes, general property taxes, general school district taxes, general assessments,

service charges or other governmental charges of a similar nature levied and/or assessed upon the GLDC Properties or the interest therein of GLDC or the occupancy thereof by GLDC (the "Exempt Taxes"), because the Agency acquired the fee interest in the GLDC Properties and the GLDC Properties are used for a purpose within the meaning of the applicable Constitutional and statutory provisions, including the Enabling Act, provided, however, such exemption does not extend to special assessments or ad valorem levies; and

WHEREAS, the Agency leases the GLDC Properties to GLDC pursuant to the terms of a Master Lease dated of even date herewith (the "GLDC Master Lease")

WHEREAS, the GLDC Properties will continue to be fully exempt from Exempt Taxes for the Exemption Term (more particularly set forth on the schedule attached hereto) because the Agency maintains its fee interest in the GLDC Properties and the GLDC Properties are used for a purpose within the meaning of the applicable Constitutional and statutory provisions, including the Enabling Act, provided, however, such exemption does not extend to special assessments or ad valorem levies; and

WHEREAS, each year of the Exemption Term is more particularly set forth on Schedule B attached hereto (each year of the Exemption Term is referred to as an "Exemption Year"); and

WHEREAS, the Agency and GLDC deem it necessary and proper to enter into this amended agreement making provision for payments-in-lieu-of-taxes and such assessments by GLDC to the City of Rome, or any existing incorporated village or any village which may be incorporated after the date hereof, within which the GLDC Properties is or may be, wholly or partially located, Oneida County, Rome City School District, and any other appropriate special districts (hereinafter each a "Taxing Authority" and collectively the "Taxing Authorities") in which any part of the GLDC Properties is or is to be located; and

WHEREAS, the PILOT Payments (as defined below) represent a deviation from the Agency's Uniform Tax Exemption Policy (the "Policy"); and

WHEREAS, pursuant to Section 874 of the Act, the Agency sent a certified notice to the chief executive officer of each Taxing Authority providing a description of the PILOT Payments, the Agency's reasons for deviating from the Policy as well as the time and location of the public hearing and the meeting during which the Agency would consider a resolution approving the deviation from its Policy and the PILOT Payments; and



WHEREAS, all defined terms herein as indicated by the capitalization of the first letter thereof and not otherwise defined herein shall have the meanings ascribed to such terms as set forth in the GLDC Master Lease.

NOW, THEREFORE, to provide for certain payments to the Taxing Authorities, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. (a) GLDC shall pay to each Taxing Authority as set forth on Schedule A attached hereto and made a part hereof an amount in lieu of the Exempt Taxes (the "PILOT Payments") during each Exemption Year of the Exemption Term as follows:

(i) zero percent (0%) of Exempt Taxes from the first through and including the tenth Exemption Year;

(ii) all non-exempt taxes and charges upon the GLDC Properties from the first through and including the tenth Exemption Year; and

(iii) one hundred percent of such taxes after the tenth Exemption Year.

(b) Anything herein to the contrary, notwithstanding, this Agreement shall terminate on the date on which the GLDC Master Lease shall terminate and the Agency shall terminate its leasehold interest in the GLDC Properties pursuant to the GLDC Master Lease.

(c) Anything herein to the contrary, notwithstanding, upon the failure of GLDC in making any payment when due hereunder and upon failure to cure such default within thirty (30) days of receipt of notice as herein provided, shall constitute an Event of Default under Section 10.1(a)(vi) of the GLDC Master Lease, and the Agency may take any one or all remedial steps afforded it in Section 10.2 of the GLDC Master Lease; provided, however, nothing herein contained shall be deemed to limit any other rights and remedies the Agency may have hereunder or under any other Transaction Document.

2. GLDC will make PILOT Payments to each Taxing Authority hereunder for each Exemption Year by making the required payment to such Taxing Authority no later than the last day during which such Exempt Taxes could otherwise be made without penalty as if the Agency did not have a fee or other interest in the GLDC Properties. PILOT Payments that are delinquent under this Agreement shall be subject to a late penalty of five percent (5%) of the amount due which shall be paid by GLDC to the affected Taxing Authority at the time the PILOT Payment is paid. For each month, or

part thereof, that the PILOT Payment is delinquent beyond the first month, interest shall accrue to and be paid to the affected Taxing Authority on the total amount due plus a late payment penalty in the amount of one percent (1%) per month until the payment is made. Anything herein to the contrary, notwithstanding, upon the failure of GLDC in making any payment (or causing any payment to be made) when due hereunder and upon failure to cure such default within thirty (30) days of receipt of notice as herein provided, the Agency shall have the right to terminate the GLDC Master Lease and this GLDC Master PILOT Agreement, and GLDC shall henceforth pay one hundred (100%) percent of the Exempt Taxes, together with all costs of collection, including but not limited to attorneys' fees. Nothing herein contained shall be deemed to limit any other rights and remedies the Agency may have hereunder or under any other Transaction Document.

3. The GLDC Master PILOT Payments to be made by GLDC pursuant to this Agreement are intended to be in lieu of all Exempt Taxes that would have to be paid on the GLDC Properties leased to GLDC by the GLDC Master Lease if the Agency did not have a leasehold or other interest in the GLDC Properties.

4. If by reason of a change in the Constitution or laws of the State of New York, or an interpretation of the Constitution or the laws of the State of New York by the Court of Appeals (or such lower court from which the time to appeal has expired) of the State of New York, or for any other reason, GLDC is required to pay any tax which the payments specified herein are intended to be in lieu of, GLDC may deduct the aggregate of any such payments made by it from the amount herein agreed to be paid in lieu of such taxes and need only pay the difference. Furthermore, inasmuch as the PILOT Payments herein agreed to be made by GLDC are intended to be in lieu of all Exempt Taxes, it is agreed that said payments shall not, as to any Exemption Year, be in an amount greater than would be payable for such year for such Exempt Taxes, in the aggregate, by a private corporation on account of its ownership of the GLDC Properties.

5. This PILOT Agreement shall be binding upon the successors and assigns of the parties.

6. It is the intent of the parties that GLDC will have all the rights and remedies of a taxpayer with respect to any real property or other tax, service charge, special benefit, ad valorem levy, assessment or special assessment or service charge because of which, or in lieu of which, GLDC is obligated to make a payment hereunder, as if and to the same extent as if the Agency did not have a leasehold or other interest in the GLDC Properties. It is the further intent of the parties that GLDC will have all of the rights and remedies of a taxpayer as if and to the same extent as if the Agency did not have a leasehold or other interest in the GLDC Properties with respect to any

proposed assessment or change in assessment concerning the property, or any portion thereof, whether through an assessor, board of assessment review, court of law, or otherwise and likewise will be entitled to protest before and be heard by such assessor, board of assessment review, court of law or otherwise and will be entitled to take any and all appropriate appeals or initiate any proceedings to review the validity or amount of any assessment or the validity or amount of any taxes that would have been payable but for the provisions hereof. In the event, however, that a court of competent jurisdiction shall enter an order or judgment determining or declaring that, by reason of the Agency's interest in the GLDC Properties, GLDC does not have the right to bring a proceeding to review such assessment under the Real Property Tax Law or any other law, then GLDC shall have the right to contest such assessment in the name and as the agent of the Agency, and the Agency agrees to cooperate with GLDC in all respects in any such proceeding at the sole cost and expense of GLDC. In any event, GLDC agrees to notify the Agency in writing no less than forty-five days in advance of initiating any action with respect to any proposed assessment or change in assessment concerning the GLDC Properties. Notwithstanding anything herein to the contrary, for so long as this Agreement is in effect, GLDC hereby unconditionally and irrevocably waives its right, if any, to receive the benefit of any other real property tax exemption with respect to the GLDC Properties, including, without limitation, any real property tax exemption that may be available under Section 485-b and Section 485-e of the Real Property Tax Law.

7. All amounts payable by GLDC hereunder will be paid to the respective Taxing Authority and will be payable in such lawful money of the United States of America as at the time of payment is legal tender for the payment of public and private debts, including a check payable in such money.

8. (a) If any term or provision hereof should be for any reason held or adjudged to be invalid, illegal or unenforceable by any court of competent jurisdiction, such term or provision will be deemed separate and independent and the remainder hereof will remain in full force and effect and will not be invalidated, impaired or otherwise affected by such holding or adjudication.

(b) This GLDC Master PILOT Agreement may not be effectively amended, changed, modified, altered or terminated except by an instrument in writing executed by the parties hereto.

(c) All notices, certificates or other communications hereunder shall be in writing and shall be sufficiently given and shall be deemed given when (i) mailed by United States registered or certified mail, postage prepaid, return receipt requested or (ii) when delivered by a commercial overnight courier that

guarantees next day delivery and provides a receipt, to the Agency or GLDC, as the case may be, addressed as follows:

To the Agency: Oneida County Industrial Development Agency  
584 Phoenix Drive  
Rome, New York 13441-4105  
Attn.: Chairman

With a Copy To: Bond, Schoeneck & King, PLLC  
501 Main Street  
Utica, New York 13501  
Attn.: Linda E. Romano, Esq.

To GLDC: Griffiss Local Development Corporation  
584 Phoenix Drive  
Rome, New York 13441  
Attn.: Steven J. DiMeo, Authorized Representative

With a Copy to: Saunders Kahler, L.L.P.  
185 Genesee Street, Suite 1400  
Utica, New York 13501  
Attn.: Joseph E. Saunders, Esq.

provided, that the Agency or GLDC may, by notice given hereunder to the other, designate any further or different addresses to which subsequent notices, certificates or other communications to them shall be sent.

(e) This GLDC Master PILOT Agreement shall be governed by and construed in accordance with the laws of the State of New York.

(f) It is the intent of the Agency and GLDC that the GLDC Zero PILOT Agreements be superseded in their entirety by this GLDC Master PILOT Agreement, effective immediately.

(g) The parties agree to do such further acts and things and to execute and deliver such additional agreements and instruments as may be reasonably necessary to give effect to the purposes of this Agreement and the parties' agreements hereunder.

[Signature page follows]

IN WITNESS WHEREOF, the parties have executed this **GLDC Master PILOT Agreement** as of the date first above written.

GRIFFISS LOCAL DEVELOPMENT CORPORATION

By: \_\_\_\_\_  
Steven J. DiMeo  
Authorized Representative

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

On the \_\_\_\_\_ day of \_\_\_\_\_ 2023 before me, the undersigned a notary public in and for said state, personally appeared **Steven J. DiMeo** personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.

\_\_\_\_\_  
Notary Public

SECOND SIGNATURE PAGE TO  
GLDC MASTER PILOT AGREEMENT  
(GRIFFISS LOCAL DEVELOPMENT CORPORATION/GRIFFISS PARK FACILITY)

ONEIDA COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY

By: \_\_\_\_\_  
David C. Grow  
Chairman

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

On the \_\_\_\_\_ day of \_\_\_\_\_ 2023 before me, the undersigned a notary public in and for said state, personally appeared **David C. Grow**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.

\_\_\_\_\_  
Notary Public

**EXHIBIT A**

206.000-2-76	243.000-1-1.25
244.000-3-3.1	243.000-1-1.33
224.000-1-6.1	243.000-1-1.55
224.000-1-8	243.000-1-1.57
243.000-1-1.2	243.000-1-1.62
243.000-1-1.3	224.000-1-3.1
243.000-1-1.6	243.000-1-1.47
243.000-1-1.9	243.000-1-1.46
243.000-1-1.11	224.000-1-11
243.000-1-1.12	224.000-1-10
243.000-1-1.14	243.000-1-1.51
243.000-1-1.22	243.000-1-1.52

**SCHEDULE A**

**COUNTY OF ONEIDA**

Receiver of Taxes  
800 Park Avenue  
Rome, New York 13501

**CITY OF ROME**

Rome City Hall  
198 North Washington Street  
Rome, New York 13440  
Attn.: David Nolan, City Treasurer

**ROME CITY SCHOOL DISTRICT**

409 Bell Street  
Rome, New York 13440  
Attn.: District Treasurer



**SCHEDULE B**

**EXEMPTION TERM**

<b>Exemption Year</b>	<b>County/City Fiscal Year</b>	<b>School Fiscal Year</b>
1	01/01/23 – 12/31/23	07/01/23 - 06/30/24
2	01/01/24 – 12/31/24	07/01/24 - 06/30/25
3	01/01/25 – 12/31/25	07/01/25 - 06/30/26
4	01/01/26 – 12/31/26	07/01/26 - 06/30/27
5	01/01/27 – 12/31/27	07/01/27 - 06/30/28
6	01/01/28 – 12/31/28	07/01/28 - 06/30/29
7	01/01/29 – 12/31/29	07/01/29 - 06/30/30
8	01/01/30 – 12/31/30	07/01/30 - 06/30/31
9	01/01/31 – 12/31/31	07/01/31 - 06/30/32
10	01/01/32 – 12/31/32	07/01/32 - 06/30/33

## EXHIBIT B

### INSURANCE REQUIREMENTS

#### Section 3.4 Insurance Required.

At all times throughout the Lease Term, including, when indicated herein, during the Construction Period, GLDC shall, at its sole cost and expense, maintain or cause to be maintained (and cause the Sublessees to maintain, where appropriate) insurance of the following types of coverage and limits of liability with an insurance carrier qualified and admitted to do business in New York State. The Insurance carrier must have at least an A- (excellent) rating by A. M. Best. GLDC shall pay, as the same become due and payable, all premiums with respect thereto, including, but not necessarily limited to:

(a) **Property Insurance:** Insurance against loss or damage by fire, lightning and other casualties customarily insured against in an all risk policy with special form perils, such insurance to be in an amount not less than the full replacement value of the completed Improvements, exclusive of footings and foundations, as determined by a recognized appraiser or insurer selected by GLDC. During the Construction Period, such policy shall be written in the so-called "Builder's Risk Completed Value Non-Reporting Form" and shall contain a provision granting the insured permission to complete and/or occupy.

(b) **Workers' Compensation & Employers Liability Insurance and Disability Benefits Insurance** and each other form of insurance that GLDC or any permitted sublessee is required by law to provide, covering loss resulting from injury, sickness, disability or death of employees of GLDC or any permitted sublessee who are located at or assigned to the GLDC Properties. Statutory New York limits shall apply to these policies. This coverage shall be in effect from and after the Completion Date or on such earlier date as any employees of GLDC, any permitted sublessee, any contractor or subcontractor first occupy the GLDC Properties.

(c) **General Liability Insurance** protecting the Agency, GLDC and the owner of the GLDC Properties (if GLDC is not the owner) against loss or losses from liability imposed by law or assumed in any written contract (including the contractual liability assumed by GLDC under Section 5.2 hereof) and arising from personal injury, including bodily injury or death, or damage to the property of others, caused by an accident or occurrence with a limit of liability of not less than \$1,000,000 per occurrence and \$2,000,000 annual aggregate. **Comprehensive Automobile Liability Insurance** including all owned, non-owned and hired autos with a limit of liability of not less than \$1,000,000 (combined single limit or equivalent for personal injury, including bodily injury or death, and property damage) protecting the Agency and GLDC against any loss or liability or damage for personal injury, including bodily injury or death, or property damage, and **Umbrella Liability Insurance** of not less than \$5,000,000 per occurrence. This coverage shall also be in effect during the Construction Period.

(d) During the Construction Period (and for at least two years thereafter in the case of Products and Completed Operations as set forth below), GLDC shall cause the general contractor to carry liability insurance of the type and providing the minimum limits set forth below:

(i) Workers' compensation & employer's liability and disability benefits insurance both with statutory limits in accordance with applicable law.

(ii) Comprehensive general liability providing coverage for:  
Premises and Operations  
Products and Completed Operations  
Contractual Liability  
Personal Injury Liability  
Broad Form Property Damage  
(including completed operations)  
Explosion Hazard  
Collapse Hazard  
Underground Property Damage Hazard

Such insurance shall have a limit of liability of not less than \$1,000,000 per occurrence and \$2,000,000 annual aggregate. The annual aggregate shall apply per project. The contractor's general liability policy shall include coverage for the contractor and any of the additional insureds for any operations performed on residential projects including single or multi-family housing, residential condominiums, residential apartments and assisted living facilities.

(iii) Comprehensive auto liability, including all owned, non-owned and hired autos, with a limit of liability of not less than \$1,000,000 (combined single limit for personal injury, including bodily injury or death, and property damage).

(iv) Umbrella Liability with limits of \$5,000,000 per occurrence and \$5,000,000 annual aggregate.

(e) A policy or policies of flood insurance in the maximum amount of flood insurance available with respect to the GLDC Properties under the Flood Disaster Protection Act of 1973, as amended, whichever is less. This requirement will be waived upon presentation of evidence satisfactory to the Agency that no portion of the Land is located within an area identified by the U.S. Department of Housing and Urban Development as having special flood hazards.

### Section 3.5 Additional Provisions Respecting Insurance.

(a) All insurance required by Section 3.4 hereof shall be procured and maintained in financially sound and generally recognized responsible insurance companies selected by the entity required to procure the same and authorized to write

such insurance in the State. Such insurance may be written with deductible amounts comparable to those on similar policies carried by other companies engaged in businesses similar in size, character and other respects to those in which the procuring entity is engaged. All policies evidencing the insurance required by Section 3.4 hereof shall provide for at least thirty (30) day's prior written notice of the restriction, cancellation or modification thereof to the Agency. The policies evidencing the insurance required by Section 3.4(c) hereof shall name the Agency and the owner of the GLDC Properties (if GLDC is not the owner) as additional insured on a primary & non-contributory basis. All policies evidencing the insurance required by Sections 3.4(d)(ii) (iii) and (iv) shall name as additional insured the Agency, GLDC and the owner of the GLDC Properties (if GLDC is not the owner) on a primary and non-contributory basis for the ongoing construction phase and for two years following completion during the completed operations phase. The policies under Section 3.4 (a) shall contain appropriate waivers of subrogation. The policies under Section 3.4 (b),(c),(d) shall contain waivers of subrogation in favor of the Agency, GLDC and the owner of the GLDC Properties (if GLDC is not the owner).

(b) All policies or certificates (or binders) of insurance required by Sections 3.4 hereof shall be submitted to the Agency on or before the Closing Date. Attached to the certificate of insurance shall be a copy of the additional insured endorsement from GLDC's General Liability policy. GLDC shall deliver to the Agency before the renewal date of each policy a certificate dated not earlier than the immediately preceding month reciting that there is in full force and effect, with a term covering at least the next succeeding calendar year, insurance of the types and in the amounts required by Section 3.4 hereof and complying with the additional requirements of Section 3.5(a) hereof. Prior to the expiration of each such policy, GLDC shall furnish the Agency with evidence that such policy has been renewed or replaced or is no longer required by this GLDC Master Lease. GLDC shall provide such further information with respect to the insurance coverage required by this GLDC Master Lease as the Agency may from time to time reasonably require.

Agency shall be named as additional insured as follows:

Oneida County Industrial Development Agency, ISAOA  
584 Phoenix Drive  
Rome, New York 13441