

**Final Authorizing Resolution
West Dacks II, LLC (Lodging Kit Company,
Inc.) Facility**

Transcript Document No. []

Date: July 19, 2024

At a meeting of the Oneida County Industrial Development Agency (the "Agency") hosted at 584 Phoenix Drive, Rome, New York 13441 on July 19, 2024, the following members of the Agency were:

Members Present: Steve Zogby, Aricca Lewis, Kristen Martin, and Tim Reed

EDGE Staff Present: Shawna Papale, Tim Fitzgerald, Marc Barraco, Ethan Carr
EDGE Staff Present Virtual: Maureen Carney

Others Present: Linda Romano, Bond, Schoeneck & King
Others Present Virtual: Laura Ruberto, Bond, Schoeneck & King

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 West Dacks II, LLC

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

Steve Zogby voting aye
Aricca Lewis voting aye
Kristen Martin voting aye
Tim Reed voting aye

RESOLUTION AUTHORIZING THE AGENCY TO EXECUTE THE LEASE AGREEMENT, THE LEASEBACK AGREEMENT, THE PILOT AGREEMENT, THE ENVIRONMENTAL COMPLIANCE AND INDEMNIFICATION AGREEMENT, THE RECAPTURE AGREEMENT AND RELATED DOCUMENTS WITH RESPECT TO THE WEST DACKS II, LLC FACILITY LOCATED IN THE VILLAGE OF BOONVILLE, TOWN OF BOONVILLE, 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, West Dacks LLC, on behalf of itself and/or the principals of West Dacks LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "Company") previously requested the Oneida County Industrial Development Agency (the "Agency") assist with a project consisting of (a) acquisition and renovation of a 181,345± square foot building (the "Existing Improvements") situated on a 44± acre parcel of land located at 210 Grove Street, Village of Boonville, Town of Boonville, Oneida County, New York (the "Land"); (b) construction of a 2,300± square foot addition to the Existing Improvements (the "Addition" and together with the Existing Improvements, the "Improvements"); and (c) acquisition and installation of equipment in the Improvements (the "Equipment"), all to be used for the purpose of supplying household and linen supplies to the commercial lodging industry (the Land, the Improvements and the Equipment referred to collectively as the "Facility" and the acquisition, construction, renovation and equipping of the Facility is referred to collectively as the "Project"); and

WHEREAS, the Agency will acquire a leasehold interest in the Facility from the Company pursuant to a Lease Agreement from the Company to the Agency (the "Lease Agreement") and lease the Facility back to the Company pursuant to a Leaseback Agreement from the Agency to the Company (the "Leaseback Agreement"); and

WHEREAS, the Company intends to further sublease a 103,000± square foot portion of the Facility (the "Lodging Kit Facility") to Lodging Kit Company, Inc. (the "Lodging Kit Sublessee") for its operation pursuant to a Sublease Agreement (the "Lodging Kit Sublease Agreement"); and

WHEREAS, the Company intends to further sublease the balance of the Facility (the "Non-Project Facility") to a tenant or tenants to be identified from time to time (the "Non-Project Sublessee" and together with the Lodging Kit Sublessee, the "Sublessees") for uses not related to the Project; and

WHEREAS, the Agency contemplates that it will provide financial assistance to the Company in connection with the Project in the form of exemptions from sales and use taxes and reduction in real property taxes relating to the Project for a period of ten years (the "Financial Assistance"), which financial assistance is consistent with the Agency's Uniform Tax Exemption Policy; and

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

- Sales and use tax exemption not to exceed \$102,454
- Exemptions from real property taxes valued at approximately \$174,586

WHEREAS, the Project will result in the removal or abandonment of the Company's existing facility also located in the Village of Boonville, Town of Boonville, Oneida County, New York (the "Existing Facility") and has represented that the Project is reasonably necessary to (a) discourage the Company from moving out of State and consolidating operations at one of the Company's existing locations outside of the State and (b) preserve the Company's competitive position in its industry because the limitations of the existing property and facility impede the Company's and/or the Sublessee's ability to (i) expand its business operations and (ii) strengthen and grow its presence in Central New York;

WHEREAS, the Company has committed to retain at the Facility the existing 26 FTEs from the Existing Facility for the term of the Leaseback Agreement and create an additional 8 FTEs at the Facility by the end of the third year of the Leaseback Agreement and maintain all for the term of the Leaseback Agreement as a result of undertaking the Project, and the Agency will condition the proposed Financial Assistance on the Company achieving the same (the "Employment Obligation"), or else be subject to recapture or termination of Financial Assistance relating to the Project; and

WHEREAS, the Agency by resolutions duly adopted on February 9, 2024 and June 27, 2024 (collectively, the "Inducement Resolution") decided to proceed under the provisions of the Act to lease the Facility and directed that a public hearing be held and enter into the Lease Agreement and Leaseback Agreement; and

WHEREAS, the Agency conducted a public hearing on July 17, 2024 and has received all comments submitted with respect to the Financial Assistance and the nature and location of the Facility; 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 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 Facility constitutes a "project", as such term is defined in the Act; and

(c) The construction, renovation and equipping of the Facility, the leasing of the 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, renovation and equipping of the Facility is reasonably necessary to induce the Company to (a) discourage the Company from moving out of State; (b)

preserve the Company's competitive position in its industry; and (c) maintain and expand the Company's business operations in the State of New York; and

(e) Based upon representations of the Company and Company's Counsel, the 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 Facility is located; and

(f) The SEQRA findings adopted by the Agency at its meeting on June 27, 2024 encompassed the actions to be undertaken by this resolution and no changes have been made 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 Project; and

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

(i) The Leaseback Agreement is an effective instrument whereby the Agency leases the Facility back to the Company; and

(j) The Payment-In-Lieu-of-Tax Agreement (the "PILOT Agreement") by and among the Company, the Sublessee and the Agency will be an effective instrument whereby the Company agrees to make (or cause the Sublessee to make) payments-in-lieu-of-taxes for the duration of the term of the Leaseback Agreement; and

(k) The Environmental Compliance and Indemnification Agreement (the "Environmental Compliance and Indemnification Agreement") by and among the Sublessee, the Company and the Agency will be an effective instrument whereby the Sublessee and the Company agree to comply with all Environmental Laws (as defined therein) applicable to the Facility and will indemnify and hold harmless the Agency for all liability under all such Environmental Laws; and

(l) The Job Creation and Recapture Agreement (the "Recapture Agreement") by and among the Company, the Sublessee and the Agency will be an effective instrument whereby the Company agrees that the Financial Assistance is conditioned upon the Company completing the Project substantially as presented to the Agency and achieving (or causing the Sublessee to achieve) the Employment Obligation.

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

Section 3. The Agency is hereby authorized to accept a leasehold interest in the real property described in Exhibit A to the Lease Agreement and the personal property described in Exhibit B to the Lease Agreement 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 Lease Agreement, the Leaseback Agreement, the PILOT Agreement, the Environmental Compliance and Indemnification Agreement and the Recapture Agreement (each in substantially the Agency's customary forms and which, prior to the execution and delivery thereof, may be redated) are hereby approved.

Section 5.

(a) The Chairman, Vice Chairman, Secretary or any member of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Lease Agreement, the Leaseback Agreement, the PILOT Agreement, the Environmental Compliance and Indemnification Agreement, and the Recapture Agreement, all in substantially the forms thereof approved at this meeting with such changes, variations, omissions and insertions as the Chairman, Vice Chairman, Secretary or any member of the Agency shall approve, and such other related documents as may be, in the judgment of the Chairman and Agency Counsel, necessary or appropriate to effect the transactions contemplated by this resolution (hereinafter collectively called the "Closing Documents"). The execution thereof by the Chairman, Vice Chairman, or any member of the Agency shall constitute conclusive evidence of such approval.

(b) The Chairman, Vice Chairman, 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 July 19, 2024 with the originals thereof on file in my office, and that the same are true and correct copies 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 Lease Agreement, the Leaseback Agreement, the PILOT Agreement, the Environmental Compliance and Indemnification Agreement, and the Recapture Agreement contained in this transcript of proceedings are each in substantially the forms 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 in person and public notices of the time and place of said meetings were 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 _____.

ONEIDA COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

By: _____
Shawna M. Papale, Secretary