



Cortland County

Industrial Development Agency

Minutes of the Cortland County Industrial Development Agency Meeting of
November 13, 2023 – Noon
40-42 Main Street, Suite A, 2nd Floor Cortland New York, 13405

Roll Call – Chairman McMahon called the meeting to order at noon

| | | |
|---------------------------|------------------------------------|----------------|
| Mike McMahon | Chairman | <u>Present</u> |
| Stephen Compagni | Vice Chairman | <u>Present</u> |
| John O. Reagan | Treasurer | <u>Present</u> |
| Clint Brooks | Secretary | <u>Present</u> |
| Johanna Ames | Member | <u>Present</u> |
| Dr. Kathleen Burke | Member | <u>Present</u> |
| Donald Richards | Member | <u>Remote</u> |
| <u>Brendan O'Bryan</u> | Executive Director | <u>Present</u> |
| <u>Karen Niday</u> | Corporate Finance Officer | <u>Present</u> |
| <u>Eric Mulvihill</u> | Development Specialist | <u>Present</u> |
| <u>John Sidd</u> | Agency Counsel | <u>Present</u> |
| <u>Marie Weiss</u> | Carpenters Local 270 | <u>Present</u> |
| <u>Josh Colistra</u> | I-Spice Foods | <u>Present</u> |
| <u>Savannah Hempstead</u> | Clerk, Cortland County Legislature | <u>Present</u> |
| <u>Kevin Fitch</u> | Chair, Cortland County Legislature | <u>Present</u> |
| <u>Nathan Fenno</u> | President, NYS&W Railway | <u>Remote</u> |

Approval of Minutes - October 10, 2023 – Chairman McMahon made a motion to approve the minutes, Mr. Reagan seconded the motion; all those voting in favor, none opposed.

New Business

1. Review Minutes of Public Hearing for I-Spice LLC Project – Mr. Mulvihill reviewed the minutes of the public hearing.



Cortland County

Industrial Development Agency

2. SEQR Determination/Recommendation – iSpice Foods Cortland – Mr. Mulvihill reviewed the staff recommendations in part two of the SEQR documents. The Board concurred with the staff's recommendations on the SEQR documents. Chairman McMahon made a motion to adopt the SEQR Resolution, M. Reagan seconded the motion (See the attached resolution).
3. Consider Resolution to Authorize Inducement of benefits for I-Spice LLC Project – Chairman McMahon made a motion to Authorize Inducement of benefits for I-Spice LLC Project, Mr. Brooks seconded the motion (See the attached resolution).
4. Consider Resolution authorizing the execution of documents in connection with a straight-lease transaction for I-Spice LLC Project – Chairman McMahon made a motion to authorizing the execution of documents in connection with a straight-lease transaction for I-Spice LLC Project, Mr. Compagni seconded the motion (See the attached resolution).
5. Discuss/Review The New York, Susquehanna & Western Railway Corporations PILOT – Mr. Fenno provided an overview of NYS&W's request to extend the current lease terms with the IDA pending action by the New York State Office of Real Property on revisions to railroad property ceilings. Following the presentation and board discussion Chairman McMahon made a motion to extend the current lease agreement with NYS&W for the non-agency rail line with the same payment structure until December 31st, 2024, Ms. Ames seconded the motion; all voting in favor, none opposed.
6. Discuss/Review IDA credit card policy - Ms. Niday reviewed the proposed credit card policy. Ms. Ames asked what the credit limits are for each credit card. Ms. Niday explained that the agency has a \$20,000 credit limit. Ms. Ames asked if every member of staff requires a credit card. The policy will be included in the slate of policies for review and adoption at the December Board meeting.

Monthly Reports

- 1.) Finance Report – Ms. Niday reviewed the monthly financial statements
- 2.) Director's Report

Adjourn – The meeting was adjourned at 12:51 P.M

A regular meeting of the Cortland County Industrial Development Agency was convened in public session at the offices of the Agency located at 40 Main Street, Suite A, in the City of Cortland, Cortland County, New York on November 13, 2023 at 12:00 o'clock p.m., local time.

The meeting was called to order by the Chairman and, upon roll being called, the following members of the Agency were:

PRESENT:

| | |
|------------------|---------------|
| Michael McMahon | Chairman |
| Stephen Compagni | Vice Chairman |
| Clinton Brooks | Secretary |
| John O. Reagan | Treasurer |
| Johanna Ames | Member |
| Kathleen Burke | Member |

ABSENT:

REMOTE:

Donald Richards Member

FOLLOWING PERSONS WERE ALSO PRESENT:

| | |
|--------------------|--------------------------------|
| Brendan O'Bryan | Executive Director |
| Karen Niday | Chief Financial Officer |
| Eric J. Mulvihill | Community Relations Specialist |
| John P. Sidd, Esq. | Agency Counsel |
| Josh Colistra | I-Spice, LLC |

The following resolution was offered by Chairman McMahon, seconded by Mr. Reagan, to wit:

Resolution No. 2023-11-13-01

RESOLUTION DETERMINING THAT AN ACTION TO UNDERTAKE AN INDUSTRIAL PROJECT FOR I-SPICE, LLC WILL NOT HAVE A SIGNIFICANT ADVERSE ENVIRONMENTAL IMPACT.

WHEREAS, Cortland County Industrial Development Agency ("Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended ("Enabling Act") and Chapter 77 of the 1974 Laws of New York, as amended, constituting Section 902 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 commercial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more "projects" (as defined in the Act) or to cause said projects to be acquired, constructed, reconstructed, and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, iSpice, LLC ("Company") presented an application (the "Application") to the Agency, a copy of which was presented at this meeting and copies of which are on file at the office of the Agency, requesting that the Agency consider undertaking a project ("Project") consisting of the following: (A)(1) the acquisition of a leasehold interest in approximately 21.78 acres of land ("Land") located on Central Avenue, Elm Street, East Court Street and Dio Way in the City of Cortland, Cortland County, New York; (2) the renovation of an existing commercial building on the Land containing approximately 481,000 square feet of manufacturing, warehouse and office space and a 26,000 square foot out building (collectively, "Facility"); (3) the acquisition and installation therein and thereon of certain furnishings, fixtures and equipment including bottle sorters, augers, bottle filling machine equipment, cappers, labelers, conveyors, tray making machines, assemblers, shrink wrappers, palletizers, mixers and blenders ("Equipment"), all of the foregoing to constitute a facility used for the storage, warehousing, grinding, mixing and packaging of herbs, spices and seasonings to be operated by the Company (the Land, the Facility and the Equipment being collectively referred to as the "Project Facility"); (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales taxes, real estate transfer taxes, mortgage recording taxes and real property taxes (collectively, the "Financial Assistance"); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company agreed upon by the Agency; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended ("SEQRA") and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York, being 6 NYCRR Part 617, as amended ("SEQRA Regulations"), the Agency desires to determine whether the Project may have a significant adverse environmental impact therefore requiring the preparation of an environmental impact statement; and

WHEREAS, to aid the Agency in determining whether the Project may have a significant adverse impact upon the environment, the Company has completed and submitted to the Agency Part 1 of a Full Environmental Assessment Form ("Full EAF") for

the Project, which was presented to and reviewed by the Agency at this meeting and prior to this meeting, a copy of which is on file at the office of the Agency; and

WHEREAS, the Agency has examined the Application, Part 1 of the Full EAF, and classified the proposed Project as an "Unlisted Action" subject to SEQR; and

WHEREAS, the Agency desires to establish itself as "Lead Agency" for purposes of the required SEQR review of the Project; and

WHEREAS, coordinated review of an Unlisted Action with other involved agencies is not mandated by the SEQRA Regulations; and

WHEREAS, the Agency, having reviewed the proposed action, has completed a Full EAF Part 2 for the Project and makes the following findings and determination of significance with respect to the Project;

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

Section 1. Based upon the Agency's examination of the Application, its review of Part 1 of the Full EAF and completion of Part 2 of the Full EAF, its consideration of the criteria for determining the significance of the action contained in Section 617.7(c) of the SEQRA Regulations, and the Agency's knowledge of the area surrounding the Project Facility and such further investigation of the Project and its environmental effects as the Agency has deemed appropriate, has identified the relevant areas of environmental inquiry and taken the required "hard look" at such areas. As a result, the Agency makes the following findings with respect to the Project, which together are intended to constitute a written elaboration for its determination:

A. The Project is an "Unlisted Action" as defined in the SEQRA Regulations and, therefore, is subject to SEQRA. Coordinated review and notification of other involved agencies is not required for Unlisted Actions and will not be conducted for the Project by the Agency. Other involved agencies must make their own determination of significance with respect to SEQRA.

B. The Project consists of the following: (A)(1) the acquisition of a leasehold interest in approximately 21.78 acres of land (the "Land") located on Central Avenue, Elm Street, East Court Street and Dio Way in the City of Cortland, Cortland County, New York; (2) the renovation of an existing commercial building on the Land containing approximately 481,000 square feet of manufacturing, warehouse and office space and a 26,000 square foot out building (collectively, the "Facility"); (3) the acquisition and installation therein and thereon of certain furnishings, fixtures and equipment including bottle sorters, augers, bottle filling machine equipment, cappers, labelers, conveyors, tray making machines, assemblers, shrink wrappers, palletizers, mixers and blenders (the "Equipment"), all of the foregoing to constitute a facility used for the storage, warehousing, grinding, mixing and packaging of herbs, spices and seasonings to be

operated by the Company (the Land, the Facility and the Equipment being collectively referred to as the "Project Facility"); (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales taxes, real estate transfer taxes, mortgage recording taxes and real property taxes (collectively, the "Financial Assistance"); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company agreed upon by the Agency; and

C. No potentially large adverse impacts upon the environment are determined by the Agency to exist, based upon its review of Part 1 of the Full EAF, its review and completion of Part 2 of the Full EAF, and its consideration of the criteria for determining significance contained in the SEQRA Regulations, and none are known to the Agency.

D. The Project involves only the acquisition, internal renovation, and reuse of a large existing industrial manufacturing facility. The Project is properly zoned as of right and therefore does not conflict with the community's plans or goals, or community character. Reuse of the Project Facility will prevent it from becoming vacant, thereby avoiding adverse impacts associated with such vacancy, such as becoming an attractive nuisance, creating health and safety impacts, aesthetic impacts, and impact on community character associated with long-term vacancy within a mixed use area.

E. The Facility is served by existing utilities and infrastructure, including public sewer and water. The Project will not differ appreciably from the prior use of the Land and building, and therefore will not cause any substantial adverse change in existing air quality, water quality, traffic, or noise levels.

F. Because the Project will not result in significant physical changes or disturbance to the exterior of this existing building or the Land, the Agency finds that it will not cause significant adverse impacts to natural resources including vegetation or fauna, habitat, threatened or endangered plant or animal species, or any important historical, archeological, architectural, or aesthetic resource. Impacts on the physical environment are determined to be minimal.

G. For all the foregoing reasons, the Agency hereby finds that the Project will not cause or create any significant adverse environmental impacts, and it hereby issues a negative declaration with respect to the Project. The preparation of an environmental impact statement is not required.

Section 2. The Executive Director or the Chief Financial Officer of the Agency are hereby directed to prepare a negative declaration Notice form with respect to the Project, said negative declaration to be substantially in the form and to the effect of the negative declaration attached hereto and incorporating this Resolution, and to cause copies of said negative declaration Notice and Resolution to be: (A) filed in the main office of the Agency,

(B) distributed to the Company, and (C) distributed to the chief executive officers of each of the "affected tax jurisdictions" (within the meaning of the Act).

Section 3. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

| | | |
|------------------|--------|-----|
| Michael McMahon | VOTING | Aye |
| Stephen Compagni | VOTING | Aye |
| Clinton Brooks | VOTING | Aye |
| John O. Reagan | VOTING | Aye |
| Johanna Ames | VOTING | Aye |
| Kathleen Burke | VOTING | Aye |
| Donald Richards | VOTING | Aye |

The foregoing Resolution was thereupon declared and duly adopted.


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

I, the undersigned Secretary of Cortland County Industrial Development Agency (the "Agency"), DO HEREBY CERTIFY, that I have compared the foregoing extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on November 13, 2023 with the original thereof on file in my office, and that the same is a true and correct copy of such proceedings of the Agency and of such Resolution set forth therein and of the whole of said original so far as the same related to the subject matters therein referred to.

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

I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 13th day of November, 2023.



Clinton Brooks, Secretary

A regular meeting of the Cortland County Industrial Development Agency (the "Agency") was convened in public session at the offices of the Agency located at 40 Main Street, Suite A, in the City of Cortland, Cortland County, New York on November 13, 2023 at 12:00 o'clock p.m., local time.

The meeting was called to order by the Chairman and, upon roll being called, the following members of the Agency were:

PRESENT:

| | |
|------------------|---------------|
| Michael McMahon | Chairman |
| Stephen Compagni | Vice Chairman |
| Clinton Brooks | Secretary |
| John O. Reagan | Treasurer |
| Johanna Ames | Member |
| Kathleen Burke | Member |

ABSENT:

REMOTE:

Donald Richards Member

FOLLOWING PERSONS WERE ALSO PRESENT:

| | |
|--------------------|--------------------------------|
| Brendan O'Bryan | Executive Director |
| Karen Niday | Chief Financial Officer |
| Eric J. Mulvihill | Community Relations Specialist |
| John P. Sidd, Esq. | Agency Counsel |
| Josh Colistra | I-Spice, LLC |

The following resolution was offered by Chairman McMahon, seconded by Mr. Brooks, to wit:

Resolution No. 2023-11-13-02

RESOLUTION INDUCING OFFICIAL ACTION TOWARD
THE ACQUISITION, CONSTRUCTION, INSTALLATION
AND LEASING OF A CERTAIN COMMERCIAL PROJECT
FOR I-SPICE, LLC

WHEREAS, Cortland County Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the

Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 77 of the 1974 Laws of New York, as amended, constituting Section 902 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 commercial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more "projects" (as defined in the Act) or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, iSpice, LLC ("Company") presented an application (the "Application") to the Agency, a copy of which was presented at this meeting and copies of which are on file at the office of the Agency, requesting that the Agency consider undertaking a project ("Project") consisting of the following: (A)(1) the acquisition of a leasehold interest in approximately 21.78 acres of land ("Land") located on Central Avenue, Elm Street, East Court Street and Dio Way in the City of Cortland, Cortland County, New York; (2) the renovation of an existing commercial building on the Land containing approximately 481,000 square feet of manufacturing, warehouse and office space and a 26,000 square foot out building (collectively, "Facility"); (3) the acquisition and installation therein and thereon of certain furnishings, fixtures and equipment including bottle sorters, augers, bottle filling machine equipment, cappers, labelers, conveyors, tray making machines, assemblers, shrink wrappers, palletizers, mixers and blenders ("Equipment"), all of the foregoing to constitute a facility used for the storage, warehousing, grinding, mixing and packaging of herbs, spices and seasonings to be operated by the Company (the Land, the Facility and the Equipment being collectively referred to as the "Project Facility"); (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales taxes, real estate transfer taxes, mortgage recording taxes and real property taxes (collectively, "Financial Assistance"); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company agreed upon by the Agency; and

WHEREAS, the Agency has given due consideration to the Application and to representations by the Company that (A) the granting by the Agency of the Financial Assistance with respect to the Project will be an inducement to the Company to undertake the Project in Cortland County, New York, and (B) the completion of the Project Facility will not result in the removal of an industrial or manufacturing plant of the Company or any other proposed occupant of the Project Facility from one area of the State of New York to another area of the State of New York or in the abandonment of a plant or facility

of the Company or any other proposed occupant of the Project Facility located in the State of New York; and

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

WHEREAS, the Executive Director of the Agency (A) caused notice of a public hearing of the Agency to hear all persons interested in the Project and the financial assistance being contemplated by the Agency with respect to the Project (the "Public Hearing") to be published on October 14, 2023 in the Cortland Standard, a newspaper of general circulation available to residents of the County of Cortland, (B) conducted the Public Hearing on November 1, 2023 at 4:30 o'clock p.m. local time in the Agency's Office located at 40 Main Street, Suite A in the City of Cortland, County of Cortland, New York, (C) prepared a report of the Public Hearing which fairly summarized the views presented at said public hearing and distributed same to the members of the Agency; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended ("SEQR Act"), and the regulations ("Regulations") adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, "SEQRA"), by resolution adopted by the members of the Agency on November 13, 2023 ("SEQR Resolution"), the Agency has determined that the Project will not have a significant effect on the environment and, therefore, that an environmental impact statement is not required to be prepared with respect to the Project; and

WHEREAS, having complied with the requirements of Section 859-a of the Act and the requirements of SEQRA with respect to the Project, the Agency now desires to make its final determination whether to proceed with the Project;

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

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

(A) The Project constitutes a "project" within the meaning of the Act; and

(B) The completion of the Project Facility will not result in the removal of an industrial or manufacturing plant of the Company or any other proposed occupant of the Project Facility from one area of the State of New York to another area of the State of New York and the completion of the Project Facility will not result in the

abandonment of a plant or facility of a proposed occupant of the Project Facility located in the State of New York; and

(C) The Project Facility will not constitute a project where facilities or property that are primarily used in making retail sales of goods or services to customers who personally visit such facilities constitute more than one-third of the total cost of the Project; and

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

Section 2. The Agency hereby determines that the Agency has now fully complied with the requirements of Section 859-a of the Act and the requirements of SEQRA that relate to the Project.

Section 3. Having reviewed the Report, and having considered fully all comments contained therein, the Agency hereby further determines to proceed with the Project and the granting of the Financial Assistance described in the notice of the Public Hearing.

Section 4. The Agency will (A) acquire an interest in the Project Facility from the Company pursuant to a deed, lease agreement or other documentation to be negotiated between the Agency and the Company (the "Acquisition Agreement"); (B) construct the Facility and acquire and install the Equipment in the Facility or elsewhere on the Land; (C) lease (with the obligation to purchase) or sell the Project Facility to the Company pursuant to a lease agreement or an installment sale agreement (hereinafter the "Project Agreement") between the Agency and the Company whereby the Company will be obligated, among other things, (1) to make payments to the Agency in amounts and at times so that such payments will be adequate to enable the Agency to timely pay all amounts due on the Acquisition Agreement and (2) to pay all costs incurred by the Agency with respect to the Project and/or the Project Facility, including all costs of operation and maintenance, all taxes and other governmental charges, any required payments in lieu of taxes and the reasonable fees and expenses incurred by the Agency with respect to or in connection with the Project and/or the Project Facility, and (D) provide the Financial Assistance with respect to the Project, in accordance with the Agency's uniform tax exemption policy, including (1) exemption from mortgage recording taxes with respect to any documents recorded by the Agency with respect to the Project in the Office of the County Clerk of Cortland County, New York or elsewhere, (2) exemption from sales taxes relating to the acquisition, construction and installation of the Project Facility, (3) exemption from deed transfer taxes and real estate transfer gains taxes on real estate transfers to and from the Agency with respect to the Project, and (4) exemption from real estate taxes (but not including special assessments and special ad valorem levies)

relating to the Project Facility, subject to the obligation of the Company to make payments in lieu of taxes with respect to the Project Facility.

Section 5. Pursuant to Section 875(3) of the Act, the Agency shall recover, recapture, receive, or otherwise obtain from the Company that portion of the Financial Assistance which constitutes state sales and use tax exemptions taken or purported to be taken by the Company to which the Company is not entitled or which are in excess of the amount authorized by the Agency or which are for property or services not authorized by the Agency as part of the Project or were taken by the Company when the Company failed to comply with a material term or condition to use property or services in the manner required by the Agency. The Company shall cooperate with the Agency in its efforts to recover, recapture, receive, or otherwise obtain such state sales and use tax exemptions and shall promptly pay over any such amounts to the Agency. The failure to pay over such amounts to the Agency shall be grounds for the New York State Commissioner of Taxation and Finance to assess and determine state sales and use taxes due from the Company under Article 28 of the Tax Law of the State of New York, together with any relevant penalties and interest due on such amounts.

Section 6. John P. Sidd, Esq., of the law firm of Hancock Estabrook LLP is hereby appointed Special Counsel to the Agency with respect to all matters in connection with the Project. Special Counsel for the Agency is hereby authorized, at the expense of the Company, to work with the Company, counsel to the Company and others to prepare for submission to the Agency, all documents necessary to effect the transactions contemplated by this Resolution.

Section 7. The Chairman, Vice Chairman and Executive Director of the Agency are hereby authorized and directed to distribute copies of this Resolution to the Company and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 8. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

| | | |
|------------------|--------|-----|
| Michael McMahon | VOTING | Aye |
| Stephen Compagni | VOTING | Aye |
| Clinton Brooks | VOTING | Aye |
| John O. Reagan | VOTING | Aye |
| Johanna Ames | VOTING | Aye |
| Kathleen Burke | VOTING | Aye |
| Donald Richards | VOTING | Aye |

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK)

COUNTY OF CORTLAND) ss.:

I, the undersigned Secretary of Cortland County Industrial Development Agency (the "Agency"), DO HEREBY CERTIFY, that I have compared the foregoing extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on November 13, 2023 with the original thereof on file in my office, and that the same is a true and correct copy of such proceedings of the Agency and of such Resolution set forth therein and of the whole of said original so far as the same related to the subject matters therein referred to.

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

I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 13th day of November, 2023.



Clinton Brooks, Secretary

A regular meeting of the Cortland County Industrial Development Agency (the "Agency") was convened in public session at the offices of the Agency located at 40 Main Street, Suite A, in the City of Cortland, Cortland County, New York on November 13, 2023 at 12:00 o'clock p.m., local time.

The meeting was called to order by the Chairman and, upon roll being called, the following members of the Agency were:

PRESENT:

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| Michael McMahon | Chairman |
| Stephen Compagni | Vice Chairman |
| Clinton Brooks | Secretary |
| John O. Reagan | Treasurer |
| Johanna Ames | Member |
| Kathleen Burke | Member |

ABSENT:

REMOTE:

Donald Richards Member

FOLLOWING PERSONS WERE ALSO PRESENT:

| | |
|--------------------|--------------------------------|
| Brendan O'Bryan | Executive Director |
| Karen Niday | Chief Financial Officer |
| Eric J. Mulvihill | Community Relations Specialist |
| John P. Sidd, Esq. | Agency Counsel |
| Josh Colistra | I-Spice, LLC |

The following resolution was offered by Chairman McMahon, seconded by Mr. Compagni, to wit:

Resolution No. 2023-11-13-03

RESOLUTION AUTHORIZING THE EXECUTION OF
DOCUMENTS IN CONNECTION WITH A STRAIGHT-
LEASE TRANSACTION FOR A COMMERCIAL PROJECT
FOR I-Spice, LLC

WHEREAS, Cortland County Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New

York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 77 of the 1974 Laws of New York, as amended, constituting Section 902 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 commercial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more "projects" (as defined in the Act) or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, pursuant to an application (the "Application") presented to the Agency by iSpice, LLC (the "Company"), as well as a cost benefit analysis, the members of the Agency, on November 13, 2023, adopted a resolution (the "Inducement Resolution") whereby the Agency agreed to undertake a project (the "Project") consisting of the following: (A)(1) the acquisition of a leasehold interest in approximately 21.78 acres of land ("Land") located on Central Avenue, Elm Street, East Court Street and Dio Way in the City of Cortland, Cortland County, New York; (2) the renovation of an existing commercial building on the Land containing approximately 481,000 square feet of manufacturing, warehouse and office space and a 26,000 square foot out building (collectively, "Facility"); (3) the acquisition and installation therein and thereon of certain furnishings, fixtures and equipment including bottle sorters, augers, bottle filling machine equipment, cappers, labelers, conveyors, tray making machines, assemblers, shrink wrappers, palletizers, mixers and blenders ("Equipment"), all of the foregoing to constitute a facility used for the storage, warehousing, grinding, mixing and packaging of herbs, spices and seasonings to be operated by the Company (the Land, the Facility and the Equipment being collectively referred to as the "Project Facility"); (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales taxes, real estate transfer taxes, mortgage recording taxes and real property taxes (collectively, "Financial Assistance"); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company agreed upon by the Agency; and

WHEREAS, in order to consummate the Project and the granting of the Financial Assistance described in the notice of the Public Hearing, the Agency proposes to enter into the following documents (hereinafter collectively referred to as the "Agency Documents"): (A) a certain lease to Agency (and a memorandum thereof) (the "Underlying Lease") by and between the Company, as landlord, and the Agency, as tenant pursuant to which the Company will lease to the Agency the Project Facility; (B) a

Uniform Project and Lease Agreement (and a memorandum thereof) (the "Lease Agreement") by and between the Agency and the Company, pursuant to which, among other things, the Company agrees to undertake the Project as agent of the Agency and the Company further agrees to lease the Project Facility from the Agency and, as rental thereunder, to pay the Agency's administrative fee relating to the Project and to pay all expenses incurred by the Agency with respect to the Project; (C) a payment in lieu of tax agreement (the "Payment in Lieu of Tax Agreement") by and between the Agency and the Company, pursuant to which the Company will agree to pay certain payments in lieu of taxes with respect to the Project Facility; and (D) various certificates relating to the Project (the "Closing Documents");

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

Section 1. The Agency hereby finds and determines that:

(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 Project constitutes a "project," as such term is defined in the Act; and

(C) The acquisition of the Project Facility and the lease of the Project Facility to the Company will promote and maintain the job opportunities, general prosperity and economic welfare of the citizens of Cortland County, New York and the State of New York and improve their standard of living; and

(D) It is desirable and in the public interest for the Agency to enter into the Agency Documents.

Section 2. In consequence of the foregoing, the Agency hereby determines to: (A) accept the Underlying Lease; (B) proceed with the Project; (C) acquire the Project Facility; (D) lease the Project Facility to the Company pursuant to the Lease Agreement; (E) enter into the Payment in Lieu of Tax Agreement; and (F) grant the Financial Assistance with respect to the Project.

Section 3. The Agency is hereby authorized to acquire a leasehold interest in the Project Facility pursuant to the Underlying Lease and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisition are hereby approved, ratified and confirmed.

Section 4. The Agency is hereby authorized to acquire the Project Facility as described in 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 ratified, confirmed and approved.

Section 5. The form and substance of the Agency Documents as approved by the Chairman, Vice Chairman or Executive Director are hereby approved.

Section 6. (A) The Chairman, Vice Chairman and Executive Director of the Agency are each hereby separately authorized, on behalf of the Agency, to execute and deliver the Agency Documents and, where appropriate, the Secretary (or Assistant Secretary) of the Agency is hereby authorized to affix the seal of the Agency thereto and to attest the same, with such changes, variations, omissions and insertions thereto as the Chairman or Vice Chairman or Executive Director shall approve, the execution thereof by the Chairman or Vice Chairman or Executive Director to constitute conclusive evidence of such approval.

(B) The Chairman, Vice Chairman or Executive of the Agency is each hereby further authorized, on behalf of the Agency, to designate any additional Authorized Representatives of the Agency (as defined in and pursuant to the Lease Agreement).

Section 7. 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 Agency Documents, and to execute and deliver all such additional certificates, instruments and documents, to 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 Agency Documents binding upon the Agency.

Section 8. Pursuant to Section 875(3) of the Act, the Agency shall recover, recapture, receive, or otherwise obtain from the Company that portion of the Financial Assistance which constitutes state sales and use tax exemptions taken or purported to be taken by the Company to which the Company is not entitled or which are in excess of the amount authorized by the Agency or which are for property or services not authorized by the Agency as part of the Project or were taken by the Company when the Company failed to comply with a material term or condition to use property or services in the manner required by the Agency. The Company shall cooperate with the Agency in its efforts to recover, recapture, receive, or otherwise obtain such state sales and use tax exemptions and shall promptly pay over any such amounts to the Agency. The failure to pay over such amounts to the Agency shall be grounds for the New York State Commissioner of Taxation and Finance to assess and determine state sales and use taxes due from the Company under Article 28 of the Tax Law of the State of New York, together with any relevant penalties and interest due on such amounts.

Section 9. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

| | | |
|------------------|--------|-----|
| Michael McMahon | VOTING | Aye |
| Stephen Compagni | VOTING | Aye |
| Clinton Brooks | VOTING | Aye |
| John O. Reagan | VOTING | Aye |
| Johanna Ames | VOTING | Aye |
| Kathleen Burke | VOTING | Aye |
| Donald Richards | VOTING | Aye |

The foregoing Resolution was thereupon declared duly adopted.

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

I, the undersigned Secretary of Cortland County Industrial Development Agency (the "Agency"), DO HEREBY CERTIFY, that I have compared the foregoing extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on November 13, 2023 with the original thereof on file in my office, and that the same is a true and correct copy of such proceedings of the Agency and of such Resolution set forth therein and of the whole of said original so far as the same related to the subject matters therein referred to.

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

I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 13th day of November, 2023.



Clinton Brooks, Secretary



Cortland County
Industrial Development Agency

Director's Report

DRAFT

Notes from EDC Fall Academy

EDC in partnership with Camoin Associates has released a report that highlights the economic Benefits Of Industrial Development Agencies Across New York State

The report shows over the last five years that IDA's have created 1.3 Million Jobs and \$141 Billion In Wages Nearly 40,000 New Housing Units, Over 4500 Mw Of New Wind/Solar Energy, Over \$300 Million In New School Tax Revenue In 2021 alone.

During the Legislative review session, the panel discussed the pending legislation that would exclude PILOTS from municipal tax cap calculation. This legislation is heading to the Governor for signature and caps a seven-year lobbying effort.

The State Senate has passed legislation allowing IDA's to support housing projects

The EDC is supporting legislation that would allow IDA's to provide grants and loans to businesses that experience hardships due to natural disasters.

The EDC is opposing proposed legislation that would allow the State Authorities budget office to regulate the formation LDC's

The EDC is opposing legislation that would prohibit IDA's from offering benefits to products in development.

Speakers discussed the next frontier in economic development as a competition for people and the role that IDA's/LDC's play in community development. Workforce development tends to be a zero-sum game, while communities are gaining workers others are losing workforce. Being attractive means more than simply creating jobs.