

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
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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 )

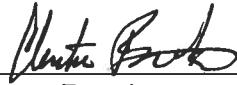
COUNTY OF CORTLAND ) ss.:

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 13<sup>th</sup> day of November, 2023.



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Clinton Brooks, Secretary