

## MINUTES OF MEETING AND RESOLUTION (EXTRACT)

A meeting of the County of Lewis Industrial Development Agency was convened in public session on July 6, 2017 at 8:00 AM local time.

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

Present: Roscoe Fawcett, Craig Brennan, Gary Herzig, Jared Thisse, Shawn Moshier and Joseph Lawrence.

Absent: Christina Schneider

In the course of the meeting the Board discussed the status of the Johnson Lumber Company, LLC project, including (a) the request for benefits involving the County of Lewis, the Town of Denmark and the Carthage Central School District relative to potential real property tax, sales tax, and mortgage tax exemptions, and (b) previous Town of Demark environmental review and findings with regard to the project.

Subsequently, on motion duly made and seconded during the course of the meeting the following resolution was placed before the members of the County of Lewis Industrial Development Agency:

RESOLUTION TAKING OFFICIAL ACTION TOWARDS THE ISSUANCE OF FINANCIAL ASSISTANCE TO JOHNSON LUMBER COMPANY, LLC FOR THE PURPOSE OF THE DEVELOPMENT IN THE TOWN OF DENMARK, LEWIS COUNTY, NEW YORK, INVOLVING THE PURCHASE OF REAL PROPERTY, CONSTRUCTION OF A BUILDING, AND PURCHASING EQUIPMENT TO EXPAND THEIR PRE-FINISHED LUMBER PRODUCT LINE; DETERMINING COMPLIANCE WITH THE STATE ENVIRONMENTAL QUALITY REVIEW ACT WITH RESPECT TO SUCH PROJECT; DESCRIBING THE FORMS OF FINANCIAL ASSISTANCE BEING CONTEMPLATED BY THE AGENCY WITH RESPECT TO SUCH PROJECT; AND AUTHORIZING PUBLIC HEARINGS WITH RESPECT TO SUCH FINANCING.

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 62 of the Laws of 1973 of the State of New York, as amended and codified as Section 903 of the General Municipal Law (the "Act"), the COUNTY OF LEWIS INDUSTRIAL DEVELOPMENT AGENCY (the "Agency") was created with the authority and power to own, lease and sell property and to issue its bonds as authorized by the Act; and

WHEREAS, JOHNSON LUMBER COMPANY, LLC (the "Company") has presented an application (the "Application") to the Agency, a copy of which is on file at the office of the Agency, requesting that the Agency consider undertaking a project (the "Project") consisting of:

- (A) Acquisition of real property adjacent to the existing facility of Johnson Lumber Company, LLC in the Town of Denmark, Lewis County (the "Land"); and
- (B) Construction of an approximate 20,000 square foot building to house the Project (the "Improvements"); and
- (C) Purchase and installation of equipment that would allow Johnson Lumber Company, LLC to expand their existing pre-finished product line (the "Equipment"; and collectively with the Land and the Improvements, the "Facility"); and
- (D) Paying certain costs and expenses incidental to those activities (the costs associated with items A, B, and C above being hereinafter collectively referred to as "Project Costs"); and

WHEREAS, the Agency is contemplating providing financial assistance to the Company with respect to the Project (collectively, the "Financial Assistance") in the form of: (1) an exemption from all state and local sales and use taxes with respect to the qualifying personal property included in or incorporated into the Improvements or constituting Equipment, (2) the retention of title to the Facility by the Agency for a period of time so as to enable the Company to (a) enter into an agreement regarding payments in lieu of real property taxes (a "PILOT Agreement") with the Agency for the benefit of each municipality and school district having taxing jurisdiction over the Project and the Facility, and (b) securing exemption from the payment of mortgage tax with respect to any qualifying mortgage on the Facility (or such interest in the Facility as is conveyed to the Agency) to secure bonds or notes executed by the Company for purpose of obtaining financing for some or all of the costs of the Project; and

WHEREAS, the Town of Denmark, as lead agency, (1) on June 20, 2017 accepted an environmental impact statement prepared with respect the Project as the final environmental impact with respect thereto, pursuant to New York's State Environmental Quality Review Act and regulations promulgated pursuant thereto ("SEQRA"), and (2) on June 20, 2017 adopted a statement of findings and decision relative to the environmental impact statement as the lead agency written findings statement relative to the Project, as required by SEQRA;

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

Section 1. The Agency hereby adopts the SEQRA findings statement of the Town of Denmark as the Agency's written findings statement relative to the Project; and

Section 2. Based upon the representations made by the Company to the Agency in the Company's application, and otherwise, and based also on a review of the Project concept and plans by the members of the Agency, 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) It is desirable and in the public interest for the Agency to (i) acquire title to o a leasehold interest in the Improvements, the Land and the Equipment, (ii) sell or sublease the Agency's interest in the Improvements, the Land and the Equipment to the Company pursuant to an agreement or agreements to be negotiated, and (iii) make available to the Company the other elements of the Financial Assistance; and
- (C) The Agency has the authority to take the actions contemplated herein under the Act; and
- (D) The action to be taken by the Agency will induce the Company to undertake the Project, thereby increasing employment opportunities in Lewis County, generating municipal revenues, and otherwise furthering the purposes of the Agency as set forth in the Act; and
- (E) The Project will not result in the removal of a civic, commercial, industrial, or manufacturing plant of the Company or any other proposed occupant of the Project from one area of the State of New York (the "State") to another area of the State or result in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Project located within the State; and

Section 3. The immediate granting of Financial Assistance for the Project up to, but not in excess of, \$99,999 without prior public hearing is within the prerogative of the Agency under the Act, is warranted to enable the Company to proceed expeditiously with the Project, and is hereby authorized in the form of exemption from state and local sales and use taxes up to, but not in excess of, \$99,999; and

Section 4. The granting of other contemplated Financial Assistance for the Project shall be subject to:

- (A) The conducting of all necessary public hearings relating to the Project, the Facility, and the proposed Financial Assistance which are required by the Act;
- (B) Agreement by the Agency and the Company, with input from the affecting taxing jurisdictions, on mutually acceptable terms for the PILOT Agreement.

Section 5. From and after the adoption of this Resolution, the officers, agency and employees of the Agency are hereby authorized, empowered and directed to proceed with the undertakings provided for or contemplated herein on the part of the Agency, and the Chairman

and the Executive Director of the Agency are further authorized to perform such acts and things and to execute all such documents on the Agency's behalf as may be necessary or convenient to carry out and comply with the terms and provisions of this Resolution, such documents to be in form and substance acceptable to them and to Company, McArdle & Randall, PLLC, Agency counsel; and

Section 6. The chairman of the Agency is hereby empowered on its behalf to schedule such public hearings of the Agency with regard to the Project, including any associated with the Agency's entry into the PILOT Agreement, as are required by the Act.

Section 7. The Chairman of the Agency is 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 vote of the members on roll call, and the result was as follows:

	<u>Yea</u>	<u>Nay</u>	<u>Abstain</u>	<u>Absent</u>
Roscoe Fawcett	[ X ]	[ ]	[ ]	[ ]
Craig Brennan	[ ]	[ ]	[ X ]	[ ]
Gary Herzig	[ X ]	[ ]	[ ]	[ ]
Christina Schneider	[ ]	[ ]	[ ]	[ X ]
Jared Thisse	[ X ]	[ ]	[ ]	[ ]
Shawn Moshier	[ X ]	[ ]	[ ]	[ ]
Joseph Lawrence	[ X ]	[ ]	[ ]	[ ]

The Resolution was thereupon duly adopted.

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Vanessa Schulz  
Acting Secretary