

TOWN OF BETHLEHEM

Albany County - New York

INDUSTRIAL DEVELOPMENT AGENCY

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DELMAR, NEW YORK 12054

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Regular Meeting Minutes

Thursday, March 23, 2017

8:00 AM

Town Hall Auditorium

Thomas P. Connolly

Executive Director,

Assistant Secretary and

Agency Counsel

518-447-3303

Allen F. Maikels

Treasurer, Chief Financial Officer

and Contracting Officer

518-487-4679

Elizabeth Staubach

Economic Development

Coordinator

Ext. 1189

Robin Nagengast

Assistant to the Executive Director

and Clerk

Ext. 1164

Frank S. Venezia

Chairman

Joseph P. Richardson

Vice Chairman

Tim McCann

Secretary

Victoria Storrs

Assistant Secretary

Sandra Shapard

Member

Tim Maniccia

Member

David Kidera

Member

I. Call to Order/Roll Call/Quorum Determination

A Regular Meeting of the Bethlehem Industrial Development Agency of the Town of Bethlehem was held on the above date at the Town Hall Auditorium, 445 Delaware Avenue, Delmar, NY.

The Meeting was called to order at 8:00 AM with the presence of a quorum noted.

Attendee Name	Title	Status	Arrived
Frank S. Venezia	Board Member/Chairman	Present	
Joseph P. Richardson	Board Member/Vice Chairman	Present	
Tim McCann	Board Member/Secretary	Absent	
Victoria Storrs	Board Member/Assistant Secretary	Present	
Sandra Shapard	Board Member	Present	
Tim Maniccia	Board Member	Present	
David Kidera	Board Member	Present	
Thomas P. Connolly	Executive Director/Agency Counsel	Present	
Joe Scott	Bond Counsel	Present	
Allen F. Maikels	CFO and Contracting Officer	Present	
Robin Nagengast	Assistant to the Executive Director	Present	
Elizabeth Staubach	Senior Planner/ED Coordinator	Absent	
Robert Leslie	Director of Planning	Present	

II. Minutes Approval

1. Friday, February 24, 2017 Annual Meeting

RESULT: ACCEPTED [UNANIMOUS]
MOVER: Joseph P. Richardson, Board Member/Vice Chairman
SECONDER: Sandra Shapard, Board Member
AYES: Venezia, Richardson, Storrs, Shapard, Maniccia, Kidera
ABSENT: Tim McCann

2. Friday, February 24, 2017 Regular Meeting

RESULT: ACCEPTED [UNANIMOUS]
MOVER: Joseph P. Richardson, Board Member/Vice Chairman
SECONDER: Victoria Storrs, Board Member/Assistant Secretary
AYES: Venezia, Richardson, Storrs, Shapard, Maniccia, Kidera
ABSENT: Tim McCann

III. Reports of Committees

- **REPORT OF AUDIT COMMITTEE MEETING 2/24/17**

The Audit Committee met February 24 to review the audited financial statements and discuss the audit. Based on its review, the Audit Committee recommends the audit for the full board for approval.

- **DRAFT MINUTES OF AUDIT COMMITTEE MEETING 2/24/17**

IV. Communications

V. Old Business

- **PLANNING BOARD UPDATE (LESLIE)**

The Planning Board is reviewing an application from Air Products to relocate a driveway and truck loading.

- **REPORT OF ED COORDINATOR (LESLIE)**

The Spring Marketing Event will be either June 1 or June 8. Still seeking options for a location; town hall is the back up plan.

The Microenterprise Grant program forms have been submitted and approval is in process. There will be an informational session on April 6 to kick off application acceptance.

- **COLUMBIA 15 PROJECT (CONNOLLY)**

No update.

- **SAE SUN (MONOLITH) PROJECT (JENNIFER PICKETT)**

The funding is in underwriting; waiting for a closing date, estimate 4-6 weeks.

VI. New Business

- **APPLICATION AIR PRODUCTS AND CHEMICALS, INC.**

The term for sales tax recapture is set at three years.

- **A. APPLICATION (CONNOLLY)**
- **B. ENHANCED TAX ABATEMENT APPLICATION (CONNOLLY)**
- **C. COST/BENEFIT ANALYSIS (CONNOLLY)**
- **D. TRANSCRIPT OF HEARING 3/22/17**
- **E. BIDA UNIFORM TAX EXEMPTION POLICY (CONNOLLY)**
- **F. SEPARATE RECAPTURE CLAUSES FOR SALES TAX AND TAX ABATEMENTS (CONNOLLY)**
- **G. SEQRA**
- **I. FULL ENVIRONMENTAL ASSESSMENT FORM (SCOTT)**

The goal is to identify any areas of environmental concern. The Planning Board will do a separate, more comprehensive SEQR review.

- **II. SEQRA RESOLUTION (SCOTT)**

Upon Motion made by Mr. Kidera and seconded by Mr. Richardson, the following resolution was unanimously adopted.

RESOLUTION DETERMINING THAT ACTION TO UNDERTAKE A PROJECT FOR THE BENEFIT OF AIR PRODUCTS AND CHEMICALS, INC. WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.

WHEREAS, Town of Bethlehem 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 582 of the 1973 Laws of New York, as amended, constituting Section 909-b 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 civic 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 and install one or more projects (as defined in the Act) or to cause said projects to be acquired, constructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and WHEREAS, Air Products and Chemicals, Inc. (The

Company), a Delaware foreign business corporation, submitted an application (the Application) to the Agency, a copy of which Application is on file at the office of the Agency, which Application requested that the Agency consider undertaking a project (the Project) for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in all or a portion of an approximately 26.908 acre parcel of land located at 461 River Road in the Town of Bethlehem, Albany County, New York (the Land), together with the existing improvements located thereon containing approximately 7,000 square feet in the aggregate (the Existing Facility), (2) the construction on the Land of certain improvements containing in the aggregate approximately 5,000 square feet of space (the New Facility) (the Existing Facility and the New Facility hereinafter collectively referred to as the Facility), and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property (collectively, the Equipment) (the Land, the Facility, and the Equipment being collectively referred to as the Project Facility), all of the foregoing to be owned by the Company and operated as an industrial facility for the production and distribution of liquid nitrogen, liquid oxygen and liquid argon and other directly and indirectly related uses; (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 and use taxes, real property taxes, real estate transfer taxes and mortgage recording 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 and agreed upon by the

Agency; and WHEREAS, pursuant to the authorization contained in the Public Hearing Resolution, the Executive Director of the Agency (A) caused notice of a public hearing of the Agency (the Public Hearing) pursuant to Section 859-a of the Act, to hear all persons interested in the Project and the financial assistance being contemplated by the Agency with respect to the Project, to be mailed on March 10, 2017 to the chief executive officers of the county and of each city, town, village and school district in which the Project is or is to be located, (B) caused notice of the Public Hearing to be posted on March 10, 2017 on a bulletin board located outside the Town Clerk's office located at 445 Delaware Avenue in the Town of Bethlehem, Albany County, New York and on the Agency's website, (C) caused notice of the Public Hearing to be published on March 11, 2017 in the Albany Times Union, a newspaper of general circulation available to the residents of the Town of Bethlehem, Albany County, New York, (D) conducted the Public Hearing on March 22, 2017 at 5:00 o'clock p.m., local time in the Auditorium of the Town of Bethlehem Town Hall located at 445 Delaware Avenue in the Town of Bethlehem, Albany County, New York, and (E) prepared a report of the Public Hearing (the Hearing Report) fairly summarizing the views presented at such Public Hearing and caused copies of said Hearing Report to be made available 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 (the SEQRA Act) and the regulations (the Regulations) adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQRA Act, SEQRA), the Agency must satisfy the requirements contained in SEQRA and the Regulations prior to making a final determination whether to undertake the Project; and WHEREAS, to aid the Agency in

determining whether the Project may have a significant effect upon the environment, (A) the Company has prepared and submitted to the Agency (A) an environmental assessment form (the EAF) with respect to the Project, a copy of which EAF was presented to and reviewed by the Agency at this meeting and a copy of which is on file at the office of the Agency, and (B) Robert Leslie, the Director of the Department of Economic Development & Planning of the Town of Bethlehem, has prepared an e-mail dated March 6, 2017 regarding any SEQR relating to the Project (the Town Planning E-Mail); and WHEREAS, pursuant to SEQRA, the Agency has examined the EAF in order to make an determination as to the potential environmental significance of the Project; and WHEREAS, the Project does not appear to constitute a Type I Action (as said quoted term is defined in the Regulations), and therefore coordinated review and notification is optional with respect to the actions contemplated by the Agency with respect to the Project; and WHEREAS, the Agency desires to conduct an uncoordinated review of the Project and to determine whether the Project may have a significant effect on the environment and therefore require the preparation of an environmental impact statement; NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF TOWN OF BETHLEHEM INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS:

Section 1. Based upon an examination of the Application, the EAF and the Town Planning E-Mail collectively, the Reviewed Materials) and based further upon 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, the Agency makes the following findings with respect to the Project:

A. The project (the Project) consists of the following: (A) (1) the acquisition of an interest in all or a portion of an approximately 26.908 acre parcel of land located at 461 River Road in the Town of Bethlehem, Albany County, New York (the Land), together with the existing improvements located thereon containing approximately 7,000 square feet in the aggregate (the Existing Facility), (2) the construction on the Land of certain improvements containing in the aggregate approximately 5,000 square feet of space (the New Facility) (the Existing Facility and the New Facility hereinafter collectively referred to as the Facility), and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property (collectively, the Equipment) (the Land, the Facility, and the Equipment being collectively referred to as the Project Facility), all of the foregoing to be owned by the Company and operated as an industrial facility for the production and distribution of liquid nitrogen, liquid oxygen and liquid argon and other directly and indirectly related uses; (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 and use taxes, real property taxes, real estate transfer taxes and mortgage recording 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 and agreed upon by the Agency.

B. The only potential impacts on the environment noted in the Reviewed Material or otherwise known to the Agency, and the Agency's evaluation of the potential significance of same, are as follows:

1. The property is located in the Heavy Industrial District, where manufacturing uses are permitted subject to site plan review by the Bethlehem Planning Board.
2. A Storm Water Pollution Prevention Plan will be completed by the applicant during site plan review by the Bethlehem Planning Board. Adequate provision will be made for the

collection and discharge of storm water from the site. The Water Quality and Quantity Control components of the SWPPP will be developed in conformance with the requirements of the current NYS Stormwater Management Design Manual. The SWPPP will be reviewed by the Town of Bethlehem Planning Board during site plan review and the applicant will be required to obtain all necessary permit coverage required by NYSDEC under GP-0-15-002.

3. A wetland delineation was completed by AECOM in August 2016. Approximately 0.72 acres of the site meet the criteria for U.S. Army Corp of Engineers (ACOE) federal jurisdictional wetlands. The Project will not disturb wetlands, and will therefore not require notification to and review by the U.S. Army Corps of Engineers for permits under Section 404 of the Clean Water Act.

4. The Project site is located within an archaeological sensitive area. The applicant has contacted the NYS OPRHP-SHPO for guidance on the assessment of impact to archaeological resources. The neighborhood where the Project is located is exclusively industrial in character; there are no nearby non-industrial land uses. At the rear of the property is a railroad line and a tall escarpment, which serves as a natural buffer. Review and approval by SHPO will be required prior to the Bethlehem Planning Board's consideration of site plan approval.

5. An area variance (AV-1704) was issued by the Bethlehem Zoning Board of Appeals on February 15, 2017 for 1) a height variance for a proposed new liquid nitrogen tank at 98' tall, variance of 38'; 2) a height variance for a proposed new cold box at 180' tall, variance of 120'; 3) a height variance for a proposed new liquefier box at 67' tall, variance of 7'; 4) a height variance for a proposed new direct contact after cooler vessel at 76' tall, variance of 16'; and 5) a rear yard setback variance for a proposed new analyzer structure adjacent to the new cold box at 25' from the property line, variance of 25'. The applicant conducted a balloon test, flying balloons at the height of each of the proposed four new structures to assess any visual impacts on nearby properties and roadways. The balloon test was observed by the Zoning Board of

Appeals and Planning Board and the test confirms that the new structures will be largely invisible from nearby properties, Town highways and the NYS Thruway.

6. The Project site is located along NYS Route 144 (River Road) and access is currently provided from two driveways along the roadway. The southernmost driveway allows for employee access, while the northernmost driveway allows for full access for trucks. A third driveway access is proposed to provide a new exit-only driveway for trucks, and the existing full access driveway will be converted to an enter only

driveway for trucks. NYSDOT will require review and approval through a NYSDOT Highway Work Permit prior to the modifications to the site access driveways.

C. No other potentially significant impacts on the environment are noted in the Reviewed Materials, and none are known to the Agency.

Section 2. Based upon the foregoing investigation of the potential environmental impacts of the Project and considering both the magnitude and importance of each environmental impact therein indicated, the Agency makes the following findings and determinations with respect to the Project:

A. The Project constitutes an Unlisted Action (as said quoted term is defined in the Regulations) and therefore coordinated review and notification of other involved agencies is

strictly optional. The Agency hereby determines not to undertake a coordinated review of the Project, and therefore will not seek lead agency status with respect to the Project;

B. The Project will result in no major impacts and, therefore, is one which will not cause significant damage to the environment. Therefore, the Agency hereby determines that the Project will not have a significant effect on the environment, and the Agency will not require the preparation of an environmental impact statement with respect to the Project; and

C. As a consequence of the foregoing, the Agency has decided to prepare a negative declaration with respect to the Project.

Section 3. The Executive Director of the Agency is hereby directed to prepare a negative declaration 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 to cause copies of said negative declaration to be (A) filed in the main office of the Agency and (B) distributed to the Company.

Section 4. This Resolution shall take effect immediately.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	David Kidera, Board Member
SECONDER:	Joseph P. Richardson, Board Member/Vice Chairman
AYES:	Venezia, Richardson, Storrs, Shapard, Maniccia, Kidera
ABSENT:	Tim McCann

- **H. RESOLUTION EXEMPTION FROM SALES TAX (SCOTT)**
- **I. RESOLUTION ENHANCED TAX ABATEMENT (CONNOLLY)**

Upon Motion made by Mr. Richardson and seconded by Mr. Kidera, the following resolution was unanimously adopted.

WHEREAS, Air Products and Chemicals, Inc. (Company) has applied to the Agency for an Enhanced Abatement; and WHEREAS, the Agency: (i) reviewed the application for an enhanced abatement and an application for financial assistance at meetings on February 22, 2017, March 22, 2017 and March 23, 2017, (ii) held a public hearing on March 22, 2017 at which representatives of the Town, the Bethlehem Chamber of Commerce and residents of the Town made statements, (iii) held a meetings on March 22, 2017 and March 23, 2017 at which a cost benefit analysis of the project was reviewed and the merits of the applications were discussed; and

NOW THEREFORE BE IT RESOLVED, that the Agency approves the Company's application for an Enhanced Abatement because the project will:

- (i) have extraordinary new capital investment;
- (ii) develop underutilized real estate;
- (iii) be consistent with the Town's comprehensive plan;
- (iv) provide greater market penetration with the potential to have a catalytic effect on industries using industrial gases;
- (v) be consistent with important regional industries by providing oxygen, nitrogen and argon to computer chip manufacturers and medical research, chemical and polymer industries; and

(vi) promote economic diversification in the Capital District.

RESULT: APPROVED [UNANIMOUS]
MOVER: Joseph P. Richardson, Board Member/Vice Chairman
SECONDER: David Kidera, Board Member
AYES: Venezia, Richardson, Storrs, Shapard, Maniccia, Kidera
ABSENT: Tim McCann

- **J. APPROVING RESOLUTION (SCOTT)**

Upon Motion made by Mr. Kidera and seconded by Mr. Richardson, the following resolution was unanimously adopted.

RESOLUTION AUTHORIZING EXECUTION OF DOCUMENTS IN CONNECTION WITH A LEASE/LEASEBACK TRANSACTION FOR A PROJECT FOR Air Products and Chemicals, Inc. (THE COMPANY).

WHEREAS, Town of Bethlehem 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 582 of the 1973 Laws of New York, as amended, constituting Section 909-b 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, manufacturing and industrial 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 and install one or more projects (as defined in the Act) or to cause said projects to be acquired, constructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and WHEREAS, Air Products and Chemicals, Inc. (the Company), a Delaware foreign business corporation, submitted an application (the Application) to the Agency, a copy of which Application is on file at the office of the Agency, which Application requested that the Agency consider undertaking a project (the Project) for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in all or a portion of an approximately 26.908 acre parcel of land located at 461 River Road in the Town of Bethlehem, Albany County, New York (the Land), together with the existing improvements located thereon containing approximately 7,000 square feet in the aggregate (the Existing Facility), (2) the construction on the Land of certain improvements containing in the aggregate approximately 5,000 square feet of space (the New Facility) (the Existing Facility and the New Facility hereinafter collectively referred to as the Facility), and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property (collectively, the Equipment) (the Land, the Facility, and the Equipment being collectively referred to as the Project Facility), all of the foregoing to be owned by the Company and operated as an industrial facility for the production and distribution of liquid nitrogen, liquid oxygen and liquid argon and other directly and indirectly related uses; (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 and use taxes, real property taxes, real estate transfer taxes and

mortgage recording 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 and agreed upon by the Agency; and WHEREAS, by resolution adopted by the members of the Agency on February 24, 2017 (the Public Hearing Resolution), the Agency authorized a public hearing to be held pursuant to Section 859-a of the Act with respect to the Project; and WHEREAS, pursuant to the authorization contained in the Public Hearing Resolution, the Executive Director of the Agency (A) caused notice of a public hearing of the Agency (the Public Hearing) pursuant to Section 859-a of the Act, to hear all persons interested in the Project and the financial assistance being contemplated by the Agency with respect to the Project, to be mailed on March 10, 2017 to the chief executive officers of the county and of each city, town, village and school district in which the Project is or is to be located, (B) caused notice of the Public Hearing to be posted on March 10, 2017 on a bulletin board located outside the Town Clerk's office located at 445 Delaware Avenue in the Town of Bethlehem, Albany County, New York and on the Agency's website, (C) caused notice of the Public Hearing to be published on March 11, 2017 in the Albany Times Union, a newspaper of general circulation available to the residents of the Town of Bethlehem, Albany County, New York, (D) conducted the Public Hearing on March 22, 2017 at 5:00 o'clock p.m., local time in the Auditorium of the Town of Bethlehem Town Hall located at 445 Delaware Avenue in the Town of Bethlehem, Albany County, New York, and (E) prepared a report of the Public Hearing (the Hearing Report) fairly summarizing the views presented at such Public Hearing and caused copies of said Hearing Report to be made available 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 (the SEQR Act) and the regulations (the 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 March 23, 2017 (the SEQR Resolution), the Agency determined (A) to conduct an uncoordinated review of the Project, (B) that the Project is an Unlisted action which 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 (C), as a consequence of the foregoing, to prepare a negative declaration with respect to the Project; 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 the Town of Bethlehem, New York and (B) the completion of the Project will not result in the removal of a plant or facility of any proposed occupant of the Project Facility from one area of the State of New York to another area in the State of New York and will not result in the abandonment of one or more plants or facilities of any 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 the Town of Bethlehem, New York by undertaking the Project in the Town of Bethlehem, New York; 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 (the Lease to Agency or 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 all or a portion of the Land and all improvements now or hereafter located on said portion of the Land (collectively, the Leased Premises); (B) a certain license agreement (the License to Agency or

the License Agreement) by and between the Company, as licensor, and the Agency, as licensee, pursuant to which the Company will grant to the Agency (1) a license to enter upon the Land (the Licensed Premises) for the purpose of undertaking and completing the Project and (2) in the event of an occurrence of an Event of Default by the Company, an additional license to enter upon the Licensed Premises for the purpose of pursuing its remedies under the Lease Agreement (as hereinafter defined); (C) a certain 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; (D) a certain 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; (E) a certain uniform agency project agreement (the Uniform Agency Project Agreement) by and between the Agency and the Company regarding the granting of the Financial Assistance and the potential recapture of such assistance; (F) a certain recapture agreement (the Section 875 GML Recapture Agreement) by and between the Company and the Agency, required by the Act, regarding the recovery or recapture of certain sales and use taxes; (G) a sales tax exemption letter (the Sales Tax Exemption Letter) to ensure the granting of the sales tax exemption which forms a part of the Financial Assistance; (H) a New York State Department of Taxation and Finance form entitled IDA Appointment of Project Operator or Agency for Sales Tax Purposes (the form required to be filed pursuant to Section 874(9) of the Act) (the Thirty-Day Sales Tax Report) and any additional report to the Commissioner of the State Department of Taxation and Finance concerning the amount of sales tax exemption benefit for the Project (the Additional Thirty-Day Project Report); (I) if the Company intends to finance the Project with borrowed money, one or more mortgages and any other security documents and related documents (collectively, the Mortgage) from the Agency and the Company to the Company's lenders with respect to the Project (the Lender), which Mortgage will grant liens on and security interests in the Project Facility to secure one or more loans from the Lender to the Company with respect to the Project (collectively, the Loan); (J) all building loan and other agreements requested by the Lender in connection with the Loan (collectively with the Mortgage, the Loan Documents); and (J) various certificates relating to the Project (the Closing Documents);

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

Section 1. All action taken by the Executive Director, Agency Counsel and Agency Special Counsel with respect to the Public Hearing with respect to the Project is hereby ratified and confirmed.

Section 2. The law firm of Hodgson Russ 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, counsel to the Agency and others to prepare, for submission to the Agency, all documents necessary to effect the transactions contemplated by this Resolution. Special Counsel has prepared and submitted an initial draft of the Agency Documents to staff of the Agency.

Section 3. 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;
- (B) The Project constitutes a project, as such term is defined in the Act;
- (C) The Project site is located entirely within the boundaries of the Town of Bethlehem, New York;
- (D) It is estimated at the present time that the costs of the planning, development, acquisition, construction and installation of the Project Facility (collectively, the Project Costs) will be approximately \$14,100,000;
- (E) The completion of the Project will not result in the removal of a plant or facility of any proposed occupant of the Project Facility from one area of the State of New York to another area in the State of New York and will not result in the abandonment of one or more plants or facilities of any occupant of the Project Facility located in the State of New York;
- (F) The Project Facility does 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 accordingly the Project is not prohibited by the provisions of Section 862(2)(a) of the Act;
- (G) The Project should receive financial assistance in the form of (i) an exemption from sales tax, mortgage recording tax and real property tax based on the following factors contained in Section 1703 of the Agency's Uniform Tax Exemption Policy (UTEP):
- (1) the nature of the Project Facility is manufacturing (Factor #1);
 - (2) the nature of the real property before the Project is undertaken is vacant land (Factor #2);
 - (3) the general economic condition of the area where the Project Facility will be located contains industrial and manufacturing sites, including the current site occupied by the Company and its industrial operations (Factor #3)
 - (4) the Project will retain approximately 66 permanent private sector jobs that might otherwise move to Massachusetts, Pennsylvania or western New York (Factor #4);
 - (5) the estimated net value all tax exemptions to be provided over an eleven (11) year period discounted by 2% and less the Agency administrative fee is approximately \$813,977 (Factor #5);
 - (6) the impact of the Project on affected tax jurisdictions is beneficial in that the total state and regional benefits are approximately \$14,445,503 over an eleven (11) year period discounted at 2% (Factor #6);
 - (7) the impact of the Project will be beneficial to existing and proposed businesses and for future economic development in the Town of Bethlehem (Factor #7);
 - (8) the amount of private sector investment is approximately \$14,100,000 (Factor #8);
 - (9) it is likely that the Project Facility will be completed on time (Factor #9);
 - (10) the Project Facility will not adversely affect the environment (Factor #10);
 - (11) the Project will provide additional sources of revenue to the municipalities and school district in which the Project Facility is located (Factor #11);

(12)the Project Facility will provide an economic benefit not otherwise available in the Town of Bethlehem (e.g., increased manufacturing activity, strengthen an important local business) (Factor #12);

(13)the affected tax jurisdictions will be reimbursed if the Project is not completed (Factor #13);

(14)at the public hearing all persons who spoke supported the Project Facility (Factor #14);

(15)the Project Facility will have a minimal impact on additional services, such as education, transportation, emergency medical or fire services (Factor #15); and

(16)the Financial Assistance is a significant component in the Company's determination to undertake the Project (Factor #16), and

(ii) an Enhanced Abatement under UTEP Section 1707(c)(1)(b) pursuant to a separate resolution adopted on this date;

(H) The granting of the Financial Assistance by the Agency with respect to the Project will promote and maintain the job opportunities, general prosperity and economic welfare of the citizens of the Town of Bethlehem, New York and the State of New York and improve their standard of living, and thereby serve the public purposes of the Act;

(I) The Agency has reviewed the Hearing Report and has fully considered all comments contained therein; and

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

Section 4. In consequence of the foregoing, the Agency hereby determines to: (A) accept the License Agreement; (B) lease the Project Facility to the Company pursuant to the Lease Agreement; (C) acquire, construct and install the Project Facility, or cause the Project Facility to be acquired, constructed and installed; (D) enter into the Payment in Lieu of Tax Agreement, (E) enter into the Section 875 GML Recapture Agreement; (F) enter into the Uniform Agency Project Agreement; (G) secure the Loan by entering into the Loan Documents; and (H) grant the Financial Assistance with respect to the Project.

Section 5. The Agency is hereby authorized (A) to acquire a license in the Licensed Premises pursuant to the License Agreement, (B) to acquire a leasehold interest in the Leased Premises pursuant to the Underlying Lease, (C) to acquire title to the Equipment pursuant to a bill of sale (the Bill of Sale to Agency) from the Company to the Agency, and (D) to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisitions are hereby approved, ratified and confirmed.

Section 6. The Agency is hereby authorized to acquire, construct and install 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, construction and installation are hereby ratified, confirmed and approved.

Section 7. The Chairman (or Vice Chairman) of the Agency, with the assistance of Agency Counsel and/or Special Counsel, is authorized to negotiate and approve the form and substance of the Agency Documents.

Section 8. (A) The Chairman (or Vice Chairman) of the Agency is hereby 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, all in the forms thereof as the Chairman (or Vice Chairman) shall approve, the execution thereof by the Chairman (or Vice Chairman) to constitute conclusive evidence of such approval.

(B) The Chairman (or Vice Chairman) of the Agency is 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 9. 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 10. This resolution shall expire if construction is not started within one year from the date this resolution was adopted and completed within two years of such adoption. Whether or not such construction has started shall be determined by the Agency in its sole and absolute discretion. An extension of the expiration date beyond the dates specified may be granted by the Agency upon written request of the Company and for good cause shown. However, any such extension of time shall not exceed 180 days in the aggregate.

Section 11. This Resolution shall take effect immediately.

There was a consensus that the term for the recapture of the sales tax exemption would be the same as the term for exercising the sales tax exemption.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Joseph P. Richardson, Board Member/Vice Chairman
SECONDER:	David Kidera, Board Member
AYES:	Venezia, Richardson, Storrs, Shapard, Maniccia, Kidera
ABSENT:	Tim McCann

- **FINANCIAL STATEMENTS 2/28/17 (MAIKELS)**
- **REVIEW/APPROVAL OF 2016 AUDITED FINANCIAL STATEMENTS/RESOLUTION & SAS 114 LETTER/RESOLUTION (VENEZIA)**

Chairman Venezia reviewed the 2016 Audited Financial Statement.

Upon motion by Mr. Kidera, seconded by Ms. Shapard, and unanimously approved by all Members present, the Agency accepted the 2016 Audited Financial Statements as recommended by the Audit Committee.

RESULT: APPROVED [UNANIMOUS]
MOVER: David Kidera, Board Member
SECONDER: Sandra Shapard, Board Member
AYES: Venezia, Richardson, Storrs, Shapard, Maniccia, Kidera
ABSENT: Tim McCann

- **REVIEW/APPROVAL OF 2016 ASSESSMENT OF THE EFFECTIVENESS OF INTERNAL CONTROL STRUCTURE & PROCEDURE/RESOLUTION (VENEZIA)**

Upon motion by Ms. Shapard, seconded by Ms. Storrs, and unanimously approved by all Members present, the Agency accepted the 2016 Assessment of the Effectiveness of Internal Controls Structure and Procedure.

RESULT: APPROVED [UNANIMOUS]
MOVER: Sandra Shapard, Board Member
SECONDER: Victoria Storrs, Board Member/Assistant Secretary
AYES: Venezia, Richardson, Storrs, Shapard, Maniccia, Kidera
ABSENT: Tim McCann

- **REVIEW/APPROVAL 2016 PARIS REPORT/RESOLUTION (MAIKELS)**

Mr. Maikels presented the PARIS Report for 2016.

Upon motion by Mr. Kidera, seconded by Ms. Shapard, and unanimously approved by all Members present, the Agency accepted the 2016 PARIS Report as recommended by the Audit Committee.

RESULT: APPROVED [UNANIMOUS]
MOVER: David Kidera, Board Member
SECONDER: Sandra Shapard, Board Member
AYES: Venezia, Richardson, Storrs, Shapard, Maniccia, Kidera
ABSENT: Tim McCann

- **REVIEW/APPROVAL 2016 PERFORMANCE MEASURES/RESOLUTION (CONNOLLY)**

Upon motion by Ms. Shapard, seconded by Ms. Storrs, and unanimously approved by all Members present, the Agency accepted the 2016 Performance Measures.

RESULT: APPROVED [UNANIMOUS]
MOVER: Sandra Shapard, Board Member
SECONDER: Victoria Storrs, Board Member/Assistant Secretary
AYES: Venezia, Richardson, Storrs, Shapard, Maniccia, Kidera
ABSENT: Tim McCann

- **REVIEW/APPROVAL 2016 ANNUAL INVESTMENT REPORT/RESOLUTION (MAIKELS)**

Upon motion by Ms. Storrs, seconded by Mr. Maniccia, and unanimously approved by all Members present, the Agency accepted the 2016 Investment Report.

RESULT: APPROVED [UNANIMOUS]
MOVER: Victoria Storrs, Board Member/Assistant Secretary
SECONDER: Tim Maniccia, Board Member
AYES: Venezia, Richardson, Storrs, Shapard, Maniccia, Kidera
ABSENT: Tim McCann

- **REVIEW/APPROVAL 2016 ANNUAL PROCUREMENT REPORT /RESOLUTION (MAIKELS)**

Upon motion by Ms. Storrs, seconded by Ms. Shapard, and unanimously approved by all Members present, the Agency accepted the 2016 Procurement Report.

RESULT: APPROVED [UNANIMOUS]
MOVER: Victoria Storrs, Board Member/Assistant Secretary
SECONDER: Sandra Shapard, Board Member
AYES: Venezia, Richardson, Storrs, Shapard, Maniccia, Kidera
ABSENT: Tim McCann

- **REVIEW/APPROVAL 2016 REPORT OF REAL PROPERTY OWNED/RESOLUTION (CONNOLLY)**

Upon motion by Ms. Shapard, seconded by Ms. Storrs, and unanimously approved by all Members present, the Agency accepted the 2016 Real Property Owned Report.

RESULT: APPROVED [UNANIMOUS]
MOVER: Sandra Shapard, Board Member
SECONDER: Victoria Storrs, Board Member/Assistant Secretary
AYES: Venezia, Richardson, Storrs, Shapard, Maniccia, Kidera
ABSENT: Tim McCann

- **REGULAR MEETING - FRIDAY, APRIL 28, 2017 8:00 A.M. AUDITORIUM**

VII. Adjournment

Motion To: Adjourn

RESULT: ADJOURN [UNANIMOUS]
MOVER: Sandra Shapard, Board Member
SECONDER: Victoria Storrs, Board Member/Assistant Secretary
AYES: Venezia, Richardson, Storrs, Shapard, Maniccia, Kidera
ABSENT: Tim McCann