

**PILOT DEVIATION APPROVAL RESOLUTION
OMNI CUBA SOLAR, LLC PROJECT**

A regular meeting of Allegany County Industrial Development Agency (the "Agency") was convened in public session at the office of the Agency located at Crossroads Commerce & Conference Center, 6087 State Route 19 North, Belmont, New York on June 10, 2021 at 10:00 o'clock a.m., local time.

The meeting was called to order by the (Vice) Chair and, upon roll being called, the following members of the Agency were:

PRESENT:

Richard Ewell	Chairman
Judy Hopkins	Vice-Chairman
Michael Johnsen	Secretary
Douglas Frank	Treasurer
Randy Shayler	Member
Ward "Skip" Wilday	Member

Each of the members present participated in the meeting telephonically pursuant to Executive Order No. 202.1, as supplemented, issued by New York State Governor Andrew M. Cuomo, suspending provisions of Article 7 of the Public Officers Law that require public in-person access to public meetings and authorizing board members to participate in said meetings by conference call or similar service.

ABSENT:

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Craig R. Clark, P.E., Ph.D.	Executive Director
Pam Common	Recording Secretary

The following resolution was offered by D. Frank, seconded by M. Johnsen, to wit:

Resolution No. 0621-01

**RESOLUTION AUTHORIZING A DEVIATION FROM THE AGENCY'S UNIFORM
TAX EXEMPTION POLICY IN CONNECTION WITH THE PROPOSED PAYMENT
IN LIEU OF TAX AGREEMENT TO BE ENTERED INTO BY THE AGENCY IN
CONNECTION WITH THE PROPOSED PROJECT FOR OMNI CUBA SOLAR, LLC**

WHEREAS, Allegany 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 99 of the 1973 Laws of New York, as amended, constituting Section 906-a 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 manufacturing,

constructing, reconstructing, improving, maintaining, equipping and furnishing of manufacturing, warehousing, research, commercial 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, Omni Cuba Solar, LLC, a State of New York limited liability company (the “Company”), submitted an Application (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, requesting 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 an approximately 35 acre portion of an approximately 114 acre parcel of land located on Little Road (tax map number 166.-1-2.111) in the Town of Cuba, Allegany County, New York (the “Land”), (2) the construction on the Land of an approximately 5 MWAC solar energy generating facility, comprised of tier 1 modules in a single-axis-tracking set-up, equipment pads for transformers, a 20’ gravel access road coming from the west off of Little Road and other required improvements (all said improvements being collectively referred to as the “Facility”) and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other personal property (the “Equipment”), all of the foregoing to constitute a solar energy generating facility to be owned and operated by the Company (the Land, 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 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 a resolution adopted by the members of the Agency on May 13, 2021 (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, were mailed on May 25, 2021 to the chief executive officers of the county and of each town, village and school district in which the Project Facility is to be located, (B) caused notice of the Public Hearing to be posted on May 25, 2021 on the Agency’s website, (C) caused notice of the Public Hearing to be published on May 23, 2021 in the Spectator and June 2, 2021 in the Patriot and Free Press, newspapers of general circulation available to the residents of the Town of Cuba, Allegany County, New York, (D) as a result of the ban on large meetings or gatherings pursuant to Executive Order 202.1 and the suspension of the Open Meetings Law relating to public hearings pursuant to Executive Order 202.15, each as issued by Governor Cuomo in response to the novel Coronavirus (COVID-19) pandemic, conducted the Public Hearing on the 8th day of June, 2021 at 6:00 o’clock p.m., local time, electronically via conference call and in person; and (E) prepared a report of the Public Hearing (the “Public Hearing Report”) fairly summarizing the views presented at such Public Hearing and caused copies of said Public Hearing Report to be made available to the members of the Agency; and

WHEREAS, in connection with the Project, the Company has requested that the Agency deviate from its uniform tax exemption policy (the “Policy”) with respect to the terms of the proposed payment in

lieu of tax agreement to be entered into by the Agency with respect to the Project Facility, which proposed deviation is outlined in the letter dated May 14, 2021 (the "Pilot Deviation Letter"), a copy of which Pilot Deviation Letter is attached hereto as Exhibit A; and

WHEREAS, pursuant to Section 874(4) of the Act, prior to taking final action on such request for a deviation from the Agency's uniform tax exemption policy, the Agency must give the chief executive officers of Allegany County and each city, town, village and school district in which the Project Facility is located (collectively, the "Affected Tax Jurisdictions") written notice of the proposed deviation from the Policy and the reasons therefor prior to the meeting of the Agency at which the members of the Agency shall consider whether to approve such proposed deviation; and

WHEREAS, on May 14, 2021, the Executive Director of the Agency sent a copy of the Pilot Deviation Letter to the Affected Tax Jurisdictions to notify the Affected Tax Jurisdictions of the proposed deviation from the Policy connection with the Project; and

WHEREAS, through the Pilot Deviation Letter, the Executive Director of the Agency notified the chief executive officers of the Affected Tax Jurisdictions of the proposed deviation from the Policy and further notified said chief executive officers that the members of the Agency would consider whether to approve such proposed deviation at this meeting;

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

Section 1. The Agency hereby finds and determines as follows:

(A) The Agency has considered any and all responses from the Affected Tax Jurisdictions to the Pilot Deviation Letter.

(B) The Agency has reviewed and responded to all written comments received from any Affected Tax Jurisdiction with respect to the proposed deviation.

(C) The Agency has given all representatives from an Affected Tax Jurisdictions in attendance at this meeting the opportunity to address the members of the Agency regarding the proposed deviation.

Section 2. Based upon (A) the findings and determinations in Section 1 above, (B) any comments received at the Public Hearing, (C) input received at this meeting from the Affected Tax Jurisdictions with respect to the proposed deviation, (D) the Agency's knowledge of the Project, (E) the recommendations of Agency staff, and (F) such further investigation of the Project and the effect of the proposed deviation as the Agency has deemed appropriate, the Agency hereby determines to deviate from the Policy with respect to the terms of the proposed payment in lieu of tax agreement to be entered into by the Agency with respect to the Project Facility for the reasons set forth in the Pilot Deviation Letter. Based upon the aforementioned, the Agency hereby approves a deviation from the Policy, the terms of the approved deviation to be as described in the Pilot Deviation Letter attached hereto as Exhibit A.

Section 3. Upon preparation by special counsel to the Agency of a payment in lieu of tax agreement with respect to the Project Facility reflecting the terms of this resolution (the "Payment in Lieu of Tax Agreement") and approval by the Chairman, Vice Chairman or Executive Director of the Agency of same, the Agency, the Chairman, Vice Chairman or Executive Director is hereby authorized, on behalf of the Agency, to execute and deliver the Payment in Lieu of Tax Agreement, and, where appropriate, the

thereto and to attest the same, all in such form as is approved by the Chairman, Vice Chairman or Executive Director, the execution thereof by the Chairman, Vice Chairman or Executive Director to constitute conclusive evidence of such approval.

Section 4. 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 Payment in Lieu of Tax Agreement, 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 Payment in Lieu of Tax Agreement binding upon the Agency.

Section 5. Any action taken by the Agency staff with respect to the Pilot Deviation Letter prior to the date of this resolution is hereby ratified and confirmed.

Section 6. 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:

Richard Ewell	VOTING	AYE
Judy Hopkins	VOTING	AYE
Michael Johnsen	VOTING	AYE
Douglas Frank	VOTING	AYE
Randy Shayler	VOTING	AYE
Ward "Skip" Wilday	VOTING	AYE

The foregoing resolution was thereupon declared duly adopted.

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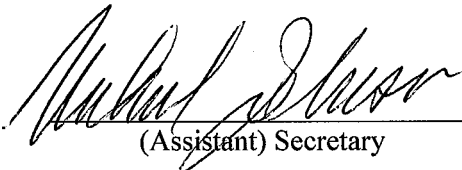
STATE OF NEW YORK)
) SS.:
COUNTY OF ALLEGANY)

I, the undersigned (Assistant) Secretary of Allegany County Industrial Development Agency (the "Agency"), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the resolution contained therein, held on June 10, 2021, with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such resolution contained therein and of the whole of said original so far as the same relates 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 respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the "Open Meetings Law") except as modified by Executive Order 202.1, as supplemented, said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present, either in-person or appearing telephonically in accordance with Executive Order 202.1, as supplemented, throughout 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 10th day of June, 2021.



(Assistant) Secretary

EXHIBIT A
PILOT DEVIATION LETTER

See attached.

ALLEGANY COUNTY INDUSTRIAL DEVELOPMENT AGENCY

Crossroads Commerce & Conference Center
6087 State Route 19 North – Suite 100
Belmont, New York 14813
Phone: (585) 268-7445
Fax: (585) 268-7471

May 14, 2021

Curtis W. Crandall, Chairman
Allegany County Board of Legislators
County Office Building
7 Court Street
Belmont, New York 14813

Carlos Gildemeister, Superintendent
Cuba-Rushford Central School District
5476 Rt. 305
Cuba, New York 14727

Lee James, Supervisor
Town of Cuba
15 Water Street
Cuba, New York 14727

Mark Neu, Board President
Cuba-Rushford Central School District
5476 Rt. 305
Cuba, New York 14727

RE: Proposed Deviation from Uniform Tax Exemption Policy by
Allegany County Industrial Development Agency in connection with its Proposed
Omni Cuba Solar, LLC Project

Dear Ladies and Gentlemen:

This letter is delivered to you pursuant to Section 874(4)(c) of the General Municipal Law.

Allegany County Industrial Development Agency (the "Agency") received an application (the "Application") from Omni Cuba Solar, LLC (the "Company"), which Application requested that the Agency consider undertaking a project (the "Project") for the benefit of the Company, said Project to consist of the following: (A) (1) the acquisition of an interest in an approximately 35 acre portion of an approximately 114 acre parcel of land located on Little Road (tax map number 166.-1-2.111) in the Town of Cuba, Allegany County, New York (the "Land"), (2) the construction on the Land of an approximately 5 MW AC solar energy generating facility, comprised of tier 1 modules in a single-axis-tracking set-up, equipment pads for transformers, a 20' gravel access road coming from the west off of Little Road and other required improvements (all said improvements being collectively referred to as the "Facility") and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other personal property (the "Equipment"), all of the foregoing to constitute a solar energy generating facility to be owned and operated by the Company (the Land, 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 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.

In connection with the Application, the Company has made a request to the Agency (the "PILOT Request") to enter into a payment in lieu of tax agreement (the "Proposed PILOT Agreement") which terms would deviate from the Agency's Uniform Tax Exemption Policy (the "Policy"). Capitalized terms not otherwise defined herein are defined in the Policy.

The Proposed PILOT Agreement would not provide any abatements for any special assessments levied on the Project Facility. The Proposed PILOT Agreement would be for a term of twenty-five (25) years with the following abatement schedule:

100% Abatement for 25 years
\$2,500 per MW AC of installed solar capacity, increasing 2% per year.

The Policy provides that, for a facility similar to the Project Facility, payments in lieu of taxes will normally be determined as follows: the Company would have the benefit of a 100% abatement in real property taxes on the Facility and any portion of the Equipment assessable as real property pursuant to the New York Real Property Tax Law (collectively with the Facility, the "Improvements") in years 1 to 5 of the payment in lieu of tax agreement with a ten percent per year increase over the remaining term of the fifteen year payment in lieu of tax agreement.

The purpose of this letter is to inform you of such PILOT Request and that the Agency is considering whether to grant the PILOT Request and to approve the Proposed PILOT Agreement conforming to the terms of the PILOT Request. The Agency expects to consider whether to approve the terms of the Proposed PILOT Agreement at its meeting scheduled for June 10, 2021 at 10 a.m., local time at the offices of the Agency located at Crossroads Commerce & Conference Center, 6087 State Route 19 North – Suite 100, Belmont, New York 14813 (the "Meeting"). As described in this letter, during the Meeting the Agency will review the terms of the PILOT Request and, based on the discussions during such Meeting, the terms of the PILOT Request may be modified.

The Agency considered the following factors in considering the proposed deviation:

1. **The nature of the Project:** Construction of a solar energy generating facility on the Land, including the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property.
2. **The present use of the property:** The property is currently vacant land.
3. **The economic condition of the area at the time of the request of the Company and the economic multiplying effect that the Project will have on the area:** The Project is located in the Town of Cuba, which is primarily rural in character. The Project is expected to create construction jobs and avoid carbon emissions equivalent to 14,400,292 pounds of greenhouse gas emissions annually. Additional benefits created by the Project are described in the Application.
4. **The extent to which the Project will create or retain permanent, private sector jobs and the number of jobs to be created or retained and the salary range of such jobs:** Up to 25 full-time construction jobs are expected to be created in connection with the Project. After completion of the Project, it is expected that 5 full-time jobs will be created during the term of the Proposed Pilot Agreement.

5. **The estimated value of new tax exemptions to be provided:** Sales tax exemption of \$379,739.12, real property tax exemption of approximately \$3,493,991.44, exemption from mortgage recording tax of \$ 59,334.24.

6. **The economic impact of the Proposed Pilot Agreement on affected tax jurisdictions:** The development of the Project Facility will have an overall positive affect on the tax jurisdictions. The Proposed Pilot Agreement will provide definitive tax revenue for budgeting purposes for the affected tax jurisdictions in the form of twenty-five years of guaranteed payments.

7. **The impact of the Proposed Pilot Agreement on existing and proposed businesses and economic development projects in the vicinity:** It is hoped that the Project will have a positive effect on existing and proposed businesses and economic development projects in the vicinity of the Project, as the Project will rely on local services and procure construction materials locally.

8. **The amount of private sector investment generated or likely to be generated by the Proposed Pilot Agreement:** \$4,746,739.

9. **The effect of the Proposed Pilot Agreement on the environment:** The Town of Cuba will be making the environmental determination and it is not expected that the Project would have a "significant environmental impact on the environment".

10. **Project Timing:** Completion anticipated by June 30, 2022.

11. **The extent to which the Proposed Pilot Agreement will require the provision of additional services including, but not limited to, additional educational, transportation, police, emergency medical or fire services:** It is not anticipated that any additional educational, transportation, police, emergency medical or fire services will be required as a result of the Project.

12. **Anticipated tax Revenues:** PILOT payments are expected to be \$400,378.75 over 25 years. Land taxes are nor reduced. Fire district taxes of \$112,239.95 are expected over 25 years.

13. **The extent to which the Proposed PILOT Agreement will provide a benefit (economic or otherwise) not otherwise available within the municipality in which the Project Facility is located:** The benefit is a positive one economically, in that the Project will promote the development of the Town of Cuba, and residents will benefit from reduced energy costs if they subscribe to the Project.

The Agency will consider the Proposed Pilot Agreement (and the proposed deviation from the Agency's Uniform Tax Exemption Policy) at the Meeting. The Agency would welcome any written comments that you might have on this proposed deviation from the Agency's Uniform Tax Exemption Policy. In accordance with Section 874(4)(c) of the General Municipal Law, prior to taking final action at the Meeting, the Agency will review and respond to any written comments received from any affected tax jurisdiction with respect to the proposed deviation. The Agency will also allow any representative of any affected tax jurisdiction present at the Meeting to address the Agency regarding the proposed deviation.

If you have any questions or comments regarding the foregoing, please do not hesitate to contact me at the above telephone number.

Sincerely yours,



Craig R. Clark, P.E., Ph.D.
Executive Director