

C2 NY SENTINEL HEIGHTS SOLAR, LLC

**CONSENT TO MORTGAGE LIEN
(3101-21-05A)**

A regular meeting of the Onondaga County Industrial Development Agency (the "Agency") was convened in public session on November 9, 2023, at 8:30 a.m., local time, located at 335 Montgomery Street, 2nd Floor, Syracuse, New York.

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

PRESENT: Patrick Hogan
Janice Herzog
Kevin Ryan
Fanny Villarreal
Elizabeth Dreyfuss

ABSENT: Susan Stanczyk
Cydney Johnson

ALSO PRESENT: Robert M. Petrovich, Executive Director
Jeffrey W. Davis, Esq., Agency Counsel
Amanda M. Fitzgerald, Esq., Agency Counsel

The following resolution was offered by Fanny Villarreal, seconded by Elizabeth Dreyfuss, to wit:

RESOLUTION CONSENTING TO A MORTGAGE IN CONNECTION WITH A CERTAIN PROJECT FOR C2 NY SENTINEL HEIGHTS SOLAR, LLC AND DETERMINING OTHER MATTERS IN CONNECTION THEREWITH.

WHEREAS, 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 435 of the Laws of 1970 of the State of New York and Chapter 676 of the Laws of 1975, as amended, constituting Section 895 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, 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 (the "State"), 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 a resolution duly adopted by the members of the Agency on May 11, 2021 (the “Approving Resolution”), the Agency undertook a project (the “Project”) on behalf of C2 NY Sentinel Heights Solar, LLC (the “Company”) consisting of the following: (A)(1) the acquisition of an interest in approximately 23 acres of land located at Sentinel Heights Road in the Town of Lafayette, Onondaga County, New York; (2) the construction on the Land of an approximately five (5) megawatt (MW) photovoltaic solar power facility (the “Facility”); and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property (the “Equipment”) (the Land, the Facility and the Equipment being collectively referred to as the “Project Facility”); and (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 and real property taxes (subject to the limitations imposed by the Act) (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, in connection with the Project and the granting of the Financial Assistance, the Agency and the Company entered into the following documents: (A) a certain lease to agency dated as of January 1, 2023 (the “Underlying Lease”) by and between the Company, as landlord, and the Agency, as tenant, pursuant to which the Company leased to the Agency the Land and all improvements then or thereafter located on the Land (collectively, the “Premises”), (B) a certain lease to the Company dated as of January 1, 2023 (the “Lease Agreement”) by and between the Agency, as landlord, and the Company, as tenant, pursuant to which the Agency leased back to the Company the Premises, (C) a bill of sale dated as of January 1, 2023 (the “Bill of Sale to Agency”), which conveyed to the Agency all right, title and interest of the Company in the Equipment, (D) a project agreement dated as of January 1, 2023 (the “Project Agreement”), which set forth the terms and conditions under which the Financial Assistance would be provided to the Company, (E) the form entitled “IDA Appointment of Project Operator or Agent for Sales Tax Purposes” (the form required to be filed pursuant to Section 874(9) of the Act) (the “Thirty-Day Sales Tax Report”) for the Company, filed with the New York State Department of Taxation and Finance by the Agency, (F) a payment in lieu of tax agreement dated as of January 1, 2023 (the “Payment in Lieu of Tax Agreement”), pursuant to which the Company agreed to pay certain payments in lieu of taxes with respect to the Project Facility, and (G) a copy of a New York State Board of Real Property Services Form 412-a (the form required to be filed by the Agency in order for the Agency to obtain a real property tax exemption with respect to the Project Facility under Section 412-a of the Real Property Tax Law) (the “Real Property Tax Exemption Form”) relating to the Project Facility and the Payment in Lieu of Tax Agreement, filed with the assessor and mailed to the chief executive officer of each “affected tax jurisdiction” (within the meaning of such quoted term in Section 854(16) of the Act); and

WHEREAS, pursuant to correspondence dated September 18, 2023, in accordance with Section 4.2 of the Lease Agreement, the Company certified (1) the acquisition, construction and installation of the Project Facility was completed, with the exception of ordinary punch list items

and work awaiting seasonal opportunity, on August 22, 2023; (2) that all labor, services, materials and supplies used for, and all costs and expenses incurred in connection with, the acquisition, construction and installation of the Project Facility has been paid; (3) that the Company has a good and valid leasehold interest in all Property (as defined in the Lease Agreement) constituting a portion of the Project Facility, free and clear of all Liens (as defined in the Lease Agreement) and encumbrances except Permitted Encumbrances (as defined in the Lease Agreement); (4) that the Project Facility was ready for occupancy, use and operation for its intended purposes; and (5) that any and all permissions, licenses or consents required of Governmental Authorities (as defined in the Lease Agreement) for the occupancy, operation and use of the Project Facility for its intended purposes have been issued; and

WHEREAS, the Agency conveyed the Equipment to the Company pursuant to a Bill of Sale dated September 21, 2023; and

WHEREAS, in order to finance the Project, the Company obtained from Flagstar Financial & Leasing, LLC (f/k/a Signature Financial LLC) (the "Lender") financing in the maximum amount of \$10,868,695.00, plus interest and costs (the "Financing"); and

WHEREAS, to secure the Financing, on September 27, 2023, the Company granted a mortgage on the Project Facility to the Lender (the "Mortgage"); and

WHEREAS, pursuant to correspondence dated October 27, 2023, the Company requested the Agency consent to (i) the Financing; and (ii) the Mortgage constituting a "Permitted Encumbrance" under the Lease Agreement (collectively, the "Agency Consent"); 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"), the Agency must determine the potential environmental significance of the Agency Consent.

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

Section 1. Pursuant to SEQRA, the Agency hereby finds and determines that:

(A) Pursuant to Section 617.5(c)(26) of the Regulations, the Agency Consent is a "Type II" action (as said quoted term is defined in the Regulations); and

(B) Therefore, the Agency hereby determines that no environmental impact statement or any other determination or procedure is required under the Regulations with respect to the Agency Consent.

Section 2. In consequence of the foregoing, the Agency hereby consents to (1) the Financing and (2) the Mortgage constituting a "Permitted Encumbrance" under the Lease Agreement.

Section 3. (A) The Chairman, Vice Chairman and/or the Executive Director of the Agency is hereby authorized, on behalf of the Agency, to execute and deliver any document that may be necessary to effectuate the Agency Consent 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.

(B) The Chairman, Vice Chair, and/or the Executive Director of the Agency is hereby further authorized, on behalf of the Agency, to designate any additional Authorized Representatives of the Agency.

Section 4. This Resolution shall take effect immediately upon adoption.

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

| | <u>AYE</u> | <u>NAY</u> | <u>ABSENT</u> |
|--------------------|------------|------------|---------------|
| Patrick Hogan | X | | |
| Janice Herzog | X | | |
| Cydney Johnson | | | X |
| Elizabeth Dreyfuss | X | | |
| Susan Stanczyk | | | X |
| Kevin Ryan | X | | |
| Fanny Villarreal | X | | |

The Resolution was thereupon declared duly adopted.

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

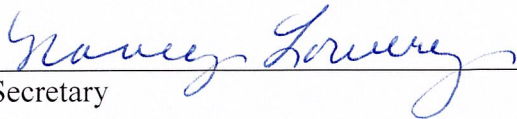
I, the undersigned Secretary of the Onondaga County Industrial Development Agency, DO HEREBY CERTIFY that I have compared the foregoing extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on November 9, 2023, with the original thereof on 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 relates to the subject matter 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”), 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 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 this 9 day of November, 2023.

(SEAL)


Secretary