

**EMPIRE POLYMER SOLUTIONS, LLC &  
EMPIRE POLYMER HOLDINGS LLC**

**RESOLUTION AUTHORIZING ADDITIONAL FINANCIAL ASSISTANCE  
IN THE FORM OF AN INCREASE IN THE SALES AND USE  
TAX EXEMPTION AND EXTENSION OF EXEMPTION  
(3101-20-19A)**

A regular meeting of the Onondaga County Industrial Development Agency, was convened in public session on January 19, 2023, at 8:30 a.m., local time, at 335 Montgomery Street, 2<sup>nd</sup> Floor, Syracuse, New York.

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

**PRESENT:** Patrick Hogan  
Janice Herzog  
Fanny Villarreal  
Kevin Ryan

**ABSENT:** Victor Ianno  
Steve Morgan  
Susan Stanczyk

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

The following resolution was offered by Janice Herzog, seconded by Fanny Villarreal, to wit:

**RESOLUTION APPROVING ADDITIONAL FINANCIAL ASSISTANCE  
AND AUTHORIZING THE EXTENSION OF THE SALES AND USE TAX  
EXEMPTION FOR A CERTAIN PROJECT FOR EMPIRE POLYMER  
SOLUTIONS, LLC AND EMPIRE POLYMER HOLDINGS LLC AND  
DETERMINING OTHER MATTERS IN CONNECTION THEREWITH**

WHEREAS, Onondaga 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 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, by resolution adopted by the Agency on October 13, 2020 (the "Approving Resolution"), the Agency agreed to undertake a project (the "Project") on behalf of Empire Polymer Solutions, LLC (the "Operating Company") and Empire Polymer Holdings LLC (the "Real Estate Holding Company") consisting of the following: (A)(1) acquisition of an interest in an approximately 16-acre parcel of land located at 7528 State Fair Boulevard (tax map no. 031.-11-01.1) in the Town of Van Buren, Onondaga County, New York (the "Land") and the existing 205,066 square foot building (the "Existing Building") thereon; (2) the demolition and reconstruction of the existing building, together with related site improvements (as reconstructed, the "Facility"); and (3) the acquisition and installation therein and thereon of related fixtures and various machinery, equipment and other tangible personal property not part of the Equipment (collectively, the "Facility Equipment") (the Land, the Facility and the Facility Equipment being collectively referred to as the "Company Project Facility"), such Company Project Facility to be leased and subleased by the Agency to the Company and further subleased by the Company to the Operating Company and the acquisition and installation therein and thereon of certain equipment and personal property (collectively the "Equipment," and together with the Company Project Facility, the "Project Facility"), which Project Facility will be used by the Operating Company as a manufacturing plant and warehouse for recycled plastics together with related office space; (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 (subject to certain statutory limitations) (the "Financial Assistance"); and (C) the lease (with an obligation to purchase) or sale of the Company Project Facility to the Real Estate Holding Company and the lease (with an obligation to purchase) of the Equipment to the Operating Company or such other person as may be designated by the Operating Company and agreed upon by the Agency; and

WHEREAS, the Agency previously determined that based upon the Agency's review of the application and all related materials and other information concerning the Project, the Project qualifies as a Type II action under 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 adopted pursuant thereto by the Department of Environmental Conservation of the State of New York, being 6 NYCRR Part 617, as amended (the "Regulations", and collectively with the SEQR Act, "SEQRA"), and therefore no further environmental review is required; and

WHEREAS, in connection with the Project and the granting of the Financial Assistance, the Agency, the Real Estate Holding Company and the Operating Company entered into the following documents (the "Project Documents"): (A) a certain lease to agency dated as of January 1, 2021 (the "Underlying Lease") by and between the Real Estate Holding Company, as landlord, and the Agency, as tenant, pursuant to which the Real Estate Holding Company leased to the Agency the Land and all improvements then or thereafter located on the Land (collectively, the

“Premises”) for a lease term ending on the date of termination of the Payment in Lieu of Tax Agreement, (B) a certain lease to the Real Estate Holding Company dated as of January 1, 2021 (the “Lease Agreement”) by and between the Agency, as landlord, and the Real Estate Holding Company, as tenant, pursuant to which the Agency leased back to the Real Estate Holding Company the Premises for a lease term ending on the date of the termination of the Payment in Lieu of Tax Agreement, (C) a bill of sale dated as of January 1, 2021 (the “Bill of Sale to Agency”), which conveyed to the Agency all right, title and interest of the Real Estate Holding Company in the Facility Equipment, (D) a bill of sale dated as of January 1, 2021 (the “Equipment Bill of Sale to Agency”), which conveyed to the Agency all right, title and interest of the Operating Company in the Equipment, (E) an equipment lease agreement dated as of January 1, 2021 (the “Equipment Lease Agreement”) pursuant to which the Agency leased the Equipment to the Operating Company, (F) a project agreement dated as of January 1, 2021 (the “Project Agreement”), which set forth the terms and conditions under which the Financial Assistance would be provided to the Real Estate Holding Company and the Operating Company, (G) 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 each of the Real Estate Holding Company and the Operating Company, filed with the New York State Department of Taxation and Finance by the Agency, (H) a payment in lieu of tax agreement dated as of January 1, 2021 (the “Payment in Lieu of Tax Agreement”), pursuant to which the Real Estate Holding Company and the Operating Company agreed to pay certain payments in lieu of taxes with respect to the Company Project Facility, and (I) 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 the Approving Resolution and the Project Agreement, the appointment of the Real Estate Holding Company and the Operating Company as agents of the Agency for sales and use tax purposes expires January 31, 2023; and

WHEREAS, in connection with the Project, the Agency granted Financial Assistance in the form of an exemption from sales and use taxes in the maximum amount of not to exceed \$570,817 (the “Original Maximum Sales Tax Exemption Amount”); and

WHEREAS, pursuant to correspondence dated January 5, 2023 (the “Request”), the Real Estate Holding Company and the Operating Company have requested that the Agency (A) increase the Original Maximum Sales Tax Exemption Amount by \$92,000 to a maximum amount of not to exceed \$662,817 (the “Additional Financial Assistance”) due to increased costs of the Project, and (B) extend their appointments as temporary agents of the Agency for State and local sales and use tax purposes until December 31, 2023 (the “Extension”); and

WHEREAS, pursuant to Section 859-a of the Act, prior to the Agency providing any “financial assistance” (as defined in the Act) of more than \$100,000 to any project, the Agency, among other things, must hold a public hearing pursuant to Section 859-a of the Act with respect to said project; and

WHEREAS, the aggregate amount of the Additional Financial Assistance is less than \$100,000; and

WHEREAS, in connection with the Additional Financial Assistance and the Extension, the Real Estate Holding Company and the Operating Company will enter into an omnibus amendment to the Project Agreement and other Project Documents (the "Amendment") and the Agency will file one or more Form ST-60 with the New York State Department of Tax and Finance (collectively, the "Form ST-60"); and

WHEREAS, the Agency desires to adopt a resolution authorizing the Additional Financial Assistance and approving the Extension; and

WHEREAS, pursuant to SEQRA, the Agency must determine the potential environmental significance of the Additional Financial Assistance and the Extension and execution and delivery of the Amendment and related documents (collectively, the "Transaction").

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

Section 14 Pursuant to SEQRA, the Agency hereby finds and determines that the Transaction does not constitute a significant change from the original Project that was reviewed under the SEQRA Resolution and therefore no further or additional review under SEQRA is required.

Section 2. The Agency, based upon representation made by the Real Estate Holding Company and the Operating Company to 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 granting of the Additional Financial Assistance by the Agency with respect to the Project and the extension of the appointment of the Real Estate Holding Company and the Operating Company as temporary agents of the Agency for State and local sales and use tax purposes until December 31, 2023 will promote and maintain the job opportunities, general prosperity and economic welfare of the citizens of Onondaga County, New York and the State of New York and improve their standard of living, and thereby serve the public purposes of the Act;

(D) The Project should receive the Additional Financial Assistance in the form of the increased exemption from certain sales and use taxes based on the description of expected public benefits to occur as a result of this Project, as described in the application submitted in connection with the Project, and failure by the Real Estate Holding Company and the Operating Company to meet the expected public benefits will result in a recapture event, as described in the Project Agreement.

Section 3. In consequence of the foregoing, the Agency hereby determines to (A) grant the Additional Financial Assistance with respect to the Project and (B) extend the appointment of the Real Estate Holding Company and the Operating Company as temporary agents of the Agency for sales and use tax purposes until December 31, 2023.

Section 4. The Agency is hereby authorized to do all things necessary or appropriate for the granting of the Additional Financial Assistance and the approval of the Extension, and all acts heretofore taken by the Agency with respect thereto are hereby approved, ratified and confirmed.

Section 5. The Agency is hereby authorized to execute and deliver the Amendment and such other documents as may be necessary to effectuate the grant of the Additional Financial Assistance and the Extension (collectively, the "Sales Tax Documents") and execute and file the Form ST-60. The Chairman, Vice Chairman and/or the Executive Director of the Agency, with the assistance of Agency Counsel, are each authorized to negotiate and approve the form and substance of the Sales Tax Documents required in connection with the grant of the Additional Financial Assistance and the Extension.

Section 6. The terms and conditions of subdivision 3 of Section 875 of the Act are herein incorporated by reference and the Real Estate Holding Company and the Operating Company shall agree to such terms as a condition precedent to receiving or benefiting from an exemption from State sales and use tax exemptions benefits.

Section 7. (A) The Chairman, Vice Chairman and/or the Executive Director of the Agency are each hereby authorized, on behalf of the Agency, to execute and deliver the Sales Tax Documents and the Form ST-60, 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, Vice Chairman and/or the Executive Director shall approve, the execution thereof by the Chairman, Vice Chairman and/or the Executive Director to constitute conclusive evidence of such approval.

(B) The Chairman, Vice Chairman and/or the Executive Director of the Agency are each 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 8. 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 Sales Tax 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 Sales Tax Documents binding upon the Agency.

Section 9. The Chairman, Vice Chairman and/or the Executive Director of the Agency are hereby authorized and directed to distribute copies of this Resolution to the Real Estate Holding

Company and the Operating 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 10. 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:

	<u>AYE</u>	<u>NAY</u>	<u>ABSENT</u>
Patrick Hogan	X		
Janice Herzog	X		
Victor Ianno			X
Steve Morgan			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 January 19, 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 20 day of January, 2023.

(SEAL)

  
Secretary