

Columbia County Industrial Development Agency

COLUMBIA COUNTY INDUSTRIAL DEVELOPMENT AGENCY MEETING NOTICE

Please take notice that there will be a regular meeting of the Columbia County Industrial Development Agency and its Committees to be held in person on December 5, 2023 at 8:30am, at One Hudson City Centre, Suite 301, Hudson, NY 12534 in accordance with Public Officers Law Section 103-a; This meeting is open to the public, who will have the opportunity to attend the meeting in person at the One Hudson City Centre address or via Zoom and provide live comments. Meeting packets are posted and available on the IDA's website: <https://columbiaedc.com/about-cedc/columbia-county-ida/ccida-public-documents-room/Join Zoom Meeting>:

<https://us06web.zoom.us/j/84056651767?pwd=aHhFdXNQYTJJLzFUVnlrNEgvWlIRQT09>

Meeting ID: 840 5665 1767, Passcode: 572434, Dial by your location: 1 646 558 8656

Find your local number: <https://us06web.zoom.us/u/kCe1QIMEy>

Dated: November 28, 2023

Nina Fingar-Smith

Secretary, Columbia County Industrial Development Agency

IDA Board of Members Agenda

Members:

Nina Fingar-Smith	Bob Galluscio	William Gerlach	Brian Keeler
Carmine Pierro	Rick Rector	Sarah Sterling	

1. Draft Minutes, October 3, 2023 *
2. Treasurer's Report*
3. Audit Committee
 - a. Audit Engagement Letter 2023*
4. Governance Committee
 - a. Draft Revised Uniform Tax Exempt Policy *
 - b. Draft Uniform Criteria Policy*
5. Administrative Directors Report
 - a. CEDC IDA 2024 Contract*
 - b. Labella's Project
 - c. Klocke Estates
 - d. 178 Healy Blvd
 - e. The Wick
 - f. Four Seasons 55 & Older Active Community
6. Public Comments

Attachments:

Draft Minutes October 3, 2023	Draft Revised Uniform Tax Exempt Policy
Treasurer's Report	Uniform Criteria Policy
Audit Engagement Letter 2023	CEDC IDA 2024 Contract

* Requires Action

**One Hudson City Centre, Suite 301
Hudson, New York 12534
518-828-4718**

Columbia County Industrial Development Agency

DRAFT MINUTES COLUMBIA COUNTY INDUSTRIAL DEVELOPMENT AGENCY Full Board Tuesday, October 3, 2023

A regular meeting of Columbia County Industrial Development Agency's Board was held Tuesday, October 3, 2023 in person, and accessible to the public via Zoom. The meeting was called to order at 8:50 am by Carmine Pierro, Chair.

Attendee Name	Title	Status	Arrived
Nina Fingar-Smith	Secretary	Present in person	
Robert Galluscio	Treasurer	Present in person	
William Gerlach	Board Member	Present in person	
Brian Keeler	Board Member	Present in person	
Carmine Pierro	Chair	Present in person	
Rick Rector	Board Member	Present in person	
Sarah Sterling	Vice-Chair	Present in person	
Andrew Howard	Counsel	Present in person	
F. Michael Tucker	President/CEO	Present via Zoom	
Jessica Gabriel	Senior Economic Developer	Present in person	
Chris Brown	Housing Development Coordinator	Absent	
Martha Lane	Business Development Director	Present in person	
Stephen VanDenburgh	Business Development Specialist	Present in person	
Cat Lyden	Bookkeeper	Present in person	
Riley Werner	Administrative Assistant	Present in person	
Lisa Drahushuk	Administrative Supervisor	Present in person	

Minutes August 1, 2023 & September 11, 2023:

Mr. Galluscio made a motion, seconded by Mr. Rector to approve the minutes of August 1, 2023 and September 11, 2023 as presented. Carried.

Treasurer's Report:

Mr. Tucker reviewed the Balance Sheet, noting the document showed the CEDC fee, which was being carried forward and would be addressed at the end of the year. He stated the document also showed funds being held on behalf of the County. He noted new projects were needed to bring in revenue. He stated the IDA should look at the current fee schedule at the first of the year, suggesting they adopt a schedule similar to the HIDA's. *Mr. Rector made a motion, seconded by Mr. Galluscio to approve the Treasurer's Report as presented. Carried.*

2024 Meeting Schedule:

Mr. Galluscio made a motion, seconded by Ms. Sterling to approve the 2024 Meeting Schedule as presented. Carried.

Administrative Director's Report:

Mr. Tucker stated there was no new information regarding 178 Healy Boulevard. He stated the Wick Hotel project purchase was moving forward and currently awaiting a final approval from Marriott.

Draft Revised Application:

Ms. Fingar – Smith made a motion, seconded by Ms. Sterling to approve the revised application as presented. Carried.

Draft Revised Evaluation Criteria:

Mr. Keeler made a motion, seconded by Mr. Rector to approve the Draft Revised Evaluation Criteria as presented. Carried.

Ms. Sterling asked if projects had a process for reporting jobs. Mrs. Gabriel stated the information was gathered at the first of the year from the projects and inserted into the PARIS report, which was reviewed by the Board.

With no public comment or further business, Mr. Galluscio made a motion, seconded by Ms. Fingar-Smith to adjourn the meeting. The meeting adjourned at 9:02am.

Respectfully submitted by Lisa Drahushuk

Columbia County IDA
Balance Sheet
As of October 31, 2023

	<u>Oct 31, 23</u>
ASSETS	
Current Assets	
Checking/Savings	
Key Checking	2,486.53
Key Money Market	35,310.82
Total Checking/Savings	<u>37,797.35</u>
Other Current Assets	
Prepaid Expense	116.00
Total Other Current Assets	<u>116.00</u>
Total Current Assets	<u>37,913.35</u>
TOTAL ASSETS	<u><u>37,913.35</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
due to CEDC	20,000.00
Total Other Current Liabilities	<u>20,000.00</u>
Total Current Liabilities	<u>20,000.00</u>
Long Term Liabilities	
Due to Col.Cnty Land Sale	
HRVH, LLC	6,058.69
Total Due to Col.Cnty Land Sale	<u>6,058.69</u>
Total Long Term Liabilities	<u>6,058.69</u>
Total Liabilities	<u>26,058.69</u>
Equity	
Fund Balance - Unrestricted	40,112.15
Net Income	-28,257.49
Total Equity	<u>11,854.66</u>
TOTAL LIABILITIES & EQUITY	<u><u>37,913.35</u></u>

Columbia County IDA
Profit & Loss
January through October 2023

	<u>Jan - Oct 23</u>
Ordinary Income/Expense	
Income	
Administration Fee Income	1,500.00
Application and Misc Income	2,000.00
Bank Interest	<u>4.03</u>
Total Income	3,504.03
Expense	
Legal Fees	880.00
Accounting & Audit	9,425.60
Administration/CEDC	20,000.00
Insurance	1,438.00
Office & Misc Exp	<u>17.92</u>
Total Expense	<u>31,761.52</u>
Net Ordinary Income	-28,257.49
Other Income/Expense	
Other Income	
PILOT Receipts	<u>72,447.01</u>
Total Other Income	72,447.01
Other Expense	
PILOT Payments	<u>72,447.01</u>
Total Other Expense	<u>72,447.01</u>
Net Other Income	<u>0.00</u>
Net Income	<u><u>-28,257.49</u></u>

One Hudson City Centre, Suite 204
Hudson, NY 12534

Phone 518-828-1565
Fax 518-828-2672
Web www.uhy-us.com

November 29, 2023

Mr. F. Michael Tucker
President and CEO
and
Mr. Carmine Pierro
Chairman of the Audit Committee

Columbia County Industrial Development Agency
1 Hudson City Centre, Suite 301
Hudson, NY 12534

Dear Mr. Tucker and Mr. Pierro:

The following represents our understanding of the services we will provide Columbia County Industrial Development Agency (a component unit of the County of Columbia, New York).

You have requested that we audit the financial statements of Columbia County Industrial Development Agency, comprised of the statement of net position as of December 31, 2023, and the statements of revenue, expenses, and changes in net position and cash flows for the year then ending and the related notes, which collectively comprise Columbia County Industrial Development Agency's basic financial statements as listed in the table of contents. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter.

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America (GAAS) and, in accordance with *Government Auditing Standards*, will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Accounting principles generally accepted in the United States of America, (U.S. GAAP,) as promulgated by the Governmental Accounting Standards Board (GASB) require that management's discussion and analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the required supplementary information (RSI) in accordance with auditing standards generally accepted in the United States of America, (U.S. GAAS). These limited procedures will consist primarily of inquiries of management

regarding their methods of measurement and presentation, and comparing the information for consistency with management's responses to our inquiries. We will not express an opinion or provide any form of assurance on the RSI. The following RSI is required by U.S. GAAP. This RSI will be subjected to certain limited procedures but will not be audited:

- Management's discussion and analysis

Supplementary information other than RSI will accompany Columbia County Industrial Development Agency's basic financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the basic financial statements and perform certain additional procedures, including comparing and reconciling the supplementary information to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and additional procedures in accordance with U.S. GAAS. We intend to provide an opinion on the following supplementary information in relation to the basic financial statements as a whole:

- Schedule of projects and exemptions
- Schedule of PILOTS

Also, the document we submit to you will include the following other additional information that will not be subjected to the auditing procedures applied in our audit of the basic financial statements:

- Schedule of Employment Data

Auditor Responsibilities

We will conduct our audit in accordance with GAAS and, *Government Auditing Standards*. As part of an audit in accordance with GAAS and, *Government Auditing Standards* we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Columbia County Industrial Development Agency's ability to continue as a going concern for a reasonable period of time.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*.

Our responsibility as auditors is limited to the period covered by our audit and does not extend to any other periods.

We have identified the following significant risk of material misstatement as part of our audit planning:

- Management override of controls

Compliance with Laws and Regulations

As previously discussed, as part of obtaining reasonable assurance about whether the basic financial statements are free of material misstatement, we will perform tests of Columbia County Industrial Development Agency's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Management Responsibilities

Our audit will be conducted on the basis that management and, when appropriate, those charged with governance acknowledge and understand that they have responsibility:

- a. For the preparation and fair presentation of the basic financial statements in accordance with accounting principles generally accepted in the United States of America
- b. For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of basic financial statements that are free from material misstatement, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements; and
- c. To provide us with:
 - i. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the basic financial statements such as records, documentation, and other matters;
 - ii. Additional information that we may request from management for the purpose of the audit;
 - iii. Unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.
 - iv. A written acknowledgement of all the documents that management expects to issue that will be included in the annual report and the planned timing and method of issuance of that annual report; and
 - v. A final version of the annual report (including all the documents that, together, comprise the annual report) in a timely manner prior to the date of the auditor's report.
- d. For including the auditor's report in any document containing basic financial statements that indicates that such basic financial statements have been audited by us;
- e. For identifying and ensuring that the entity complies with the laws and regulations applicable to its activities;
- f. For adjusting the basic financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current year period(s) under audit are immaterial, both individually and in the aggregate, to the basic financial statements as a whole; and

- g. For acceptance of non-attest services, including identifying the proper party to oversee non-attest work;
- h. For maintaining adequate records, selecting and applying accounting principles, and safeguarding assets;
- i. For informing us of any known or suspected fraud affecting the entity involving management, employees with significant role in internal control and others where fraud could have a material effect on the financials; and
- j. For the accuracy and completeness of all information provided.

With regard to the supplementary information referred to above, you acknowledge and understand your responsibility: (a) for the preparation of the supplementary information in accordance with the applicable criteria; (b) to provide us with the appropriate written representations regarding supplementary information; (c) to include our report on the supplementary information in any document that contains the supplementary information and that indicates that we have reported on such supplementary information; and (d) to present the supplementary information with the audited basic financial statements, or if the supplementary information will not be presented with the audited basic financial statements, to make the audited basic financial statements readily available to the intended users of the supplementary information no later than the date of issuance by you of the supplementary information and our report thereon.

As part of our audit process, we will request from management and, when appropriate, those charged with governance, written confirmation concerning representations made to us in connection with the audit.

Non-attest Services

With respect to any non-attest services we perform, including the preparation of the Agency's financial statements and preparation of the Agency's form 1099s, we will not assume management responsibilities on behalf of Columbia County Industrial Development Agency. However, we will provide advice and recommendations to assist management of Columbia County Industrial Development Agency in performing its responsibilities.

Government Auditing Standards require that we document an assessment of the skills, knowledge, and experience of management, should we participate in any form of preparation of the basic financial statements and related schedules or disclosures as these actions are deemed a non-audit service.

You agree to assume all management responsibilities for the financial statement preparation services, preparation of the Agency's 1099s, and any other non-attest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skills, knowledge, and/or experience; evaluate the adequacy and results of the services; and accept responsibility for them. It is your responsibility to maintain original data and records as well as information produced by information systems. We cannot accept and have no responsibility to maintain any of your data, records, or information. F. Michael Tucker will be the responsible management representative for overseeing our non-attest services.

Our responsibilities and limitations of the engagement are as follows:

- This engagement is limited to the financial statement preparation services and 1099s preparation services, previously outlined. Our firm, in its sole professional judgment, reserves the right to refuse to do any procedure or take any action that could be construed as making management decisions or assuming management responsibilities including determining account coding and approving journal entries.

Reporting

We will issue a written report upon completion of our audit of Columbia County Industrial Development Agency's basic financial statements. Our report will be addressed to Columbia County Industrial Development Agency. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph(s) to our auditor's report, or if necessary, withdraw from the engagement. If our opinion on the basic financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or to issue a report as a result of this engagement.

In accordance with the requirements of *Government Auditing Standards*, we will also issue a written report describing the scope of our testing over internal control over financial reporting and over compliance with laws, regulations, and provisions of grants and contracts, including the results of that testing. However, providing an opinion on internal control and compliance will not be an objective of the audit and, therefore, no opinion will be expressed.

Other

We understand that your employees will prepare all confirmations we request and will locate any documents or support for any other transactions we select for testing.

If you intend to publish or otherwise reproduce the basic financial statements and make reference to our firm, you agree to provide us with printers' proofs or masters for our review and approval before printing. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed.

Regarding the electronic dissemination of audited financial statements, including financial statements published electronically on your Internet website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Professional standards prohibit us from being the sole host and/or the sole storage for your financial and non-financial data. As such, it is your responsibility to maintain your original data and records and we cannot be responsible to maintain such original information. By signing this engagement letter, you affirm that you have all the data and records required to make your books and records complete.

Provisions of Engagement Administration, Timing and Fees

During the course of the engagement, we may communicate with you or your personnel via fax or e-mail, and you should be aware that communication in those mediums contains a risk of misdirected or intercepted communications.

The timing of our audit will be scheduled for performance and completion as follows:

	<i>Begin</i>	<i>Complete</i>
Document internal control and preliminary tests	January 8, 2024	January 15, 2024
Mail confirmations	N/A	January 2024
Perform year-end audit procedures	January 15, 2024	February 16, 2024
Audit committee meeting	N/A	March 2024
Board meeting	N/A	March 2024
Issue audit report	N/A	March 29, 2024

Nicole Overbaugh is the engagement principal for the audit services specified in this letter. Her responsibilities include supervising UHY LLP's services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the audit report. Matthew VanDerbeck will serve as the relationship partner.

From time to time, both during and after the conclusion of our engagement, we may be required to respond to subpoenas or other requests for documents, testimony or court appearances, or to otherwise take actions under compulsion of law or legal process, relating to you and/or the work we have undertaken for you as identified and described herein. In any such instance, you will be and remain responsible to compensate us for our time expended, and to reimburse us for our costs and disbursements (including attorney's fees) incurred, in complying with any such legal requirements, all in the manner described in the following paragraph that addresses billing and payment.

Our fees are based on the amount of time required at various levels of responsibility, plus actual out-of-pocket expenses. Invoices will be rendered as work progresses and are payable upon presentation. We estimate that our fee for the audit will be \$9,600. We will notify you immediately of any circumstances we encounter that could significantly affect this initial fee estimate. Whenever possible, we will attempt to use Columbia County Industrial Development Agency's personnel to assist in the preparation of schedules and analyses of accounts. This effort could substantially reduce our time requirements and facilitate the timely conclusion of the audit. Further, we will be available during the year to consult with you on financial management and accounting matters of a routine nature.

During the course of the audit we may observe opportunities for economy in, or improved controls over, your operations. We will bring such matters to the attention of the appropriate level of management, either orally or in writing.

You agree to inform us of facts that may affect the basic financial statements of which you may become aware during the period from the date of the auditor's report to the date the financial statements are issued.

We agree to retain our audit documentation or work papers for a period of at least seven years from the date of our report.

At the conclusion of our audit engagement, we will communicate to Columbia County Industrial Development Agency's Board of Directors the following significant findings from the audit:

- Our view about the qualitative aspects of the entity's significant accounting practices;
- Significant difficulties, if any, encountered during the audit;
- Uncorrected misstatements, other than those we believe are trivial, if any;
- Disagreements with management, if any;
- Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;
- Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;
- Representations we requested from management;
- Management's consultations with other accountants, if any; and
- Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

The audit documentation for this engagement is the property of UHY LLP and constitutes confidential information. However, we may be requested to make certain audit documentation available to Columbia County and/or New York State pursuant to authority given to it by law or regulation, or to peer reviewers. If requested, access to such audit documentation will be provided under the supervision of UHY LLP's personnel. Furthermore, upon request, we may provide copies of selected audit documentation to New York State. The New York State Comptroller may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies.

UHY LLP has a contractual arrangement with UHY Advisors, Inc. and its various wholly owned subsidiaries ("UHY Advisors") pursuant to which UHY Advisors provides UHY LLP with services for which licensure as a CPA is not required. In order to avoid duplication of efforts arising out of this arrangement, we request that you consent to our sharing with UHY Advisors and UHY Advisors sharing with UHY LLP the information that may be obtained from you during the course of our engagement. Unless you indicate otherwise, your acceptance of the terms of this engagement shall be understood by us as your consent to make disclosures to UHY Advisors of confidential information that we may obtain in the course of our engagement.

UHY Advisors, Inc. and UHY LLP are U.S. members of Urbach Hacker Young International Limited, a UK company, and form part of the international UHY network of legally independent accounting and consulting firms. "UHY" is the brand name for the UHY international network. Neither UHY nor any member of UHY has any liability for services provided by other members.

This engagement letter and all services rendered hereunder shall be governed, construed, and enforced by the laws of the State of New York, without the need to resort to principles of conflicts of laws. New York law shall apply to any legal or equitable proceeding that shall be instituted in any way arising out of this engagement letter, any obligations contained or allegedly contained herein, and all services rendered touching or relating in any way to the obligations of this engagement letter. All parties to this engagement consent to the exclusive jurisdiction of the federal and state courts located in New York and, more particularly, the state court located in Albany County, New York and the federal court located in the Northern District of New York.

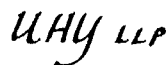
In accordance with the requirements of *Government Auditing Standards*, we have attached a copy of our latest external peer review report of our firm for your consideration and files.

Please sign and return the attached copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the basic financial statements including our respective responsibilities.

For the purposes of this engagement letter (and other letters of correspondence), transmitted copies (reproduced documents transmitted via photocopy, facsimile, or process that accurately transmits the original) are considered documents equivalent to original documents. Signatures transmitted and received via facsimile, pdf format, e-mail, or an electronic signature platform will be treated for all purposes of this engagement letter (and other letters of correspondence) as original signatures and will be deemed valid, binding, and enforceable by and against all parties.

We appreciate the opportunity to be your financial statement auditors and look forward to working with you and your staff.

Respectfully,

The image shows a handwritten signature in black ink that reads "UHY LLP". The letters are stylized and cursive, with the "U" and "H" being particularly prominent.

Nicole Overbaugh, CPA
Principal
One Hudson City Centre, Suite #204
Hudson, NY 12534

RESPONSE:

This letter correctly sets forth our understanding.

Columbia County Industrial Development Agency

Acknowledged and agreed on behalf of Columbia County Industrial Development Agency by:

Title: President and CEO

Date: _____

Title: Chairman of the Audit Committee

Date: _____

OFFICE LOCATIONS

California
Orange County

Connecticut
Farmington

Florida
Miami

Georgia
Atlanta

Maryland
Columbia

Michigan
Ann Arbor
Detroit
Farmington Hills
Port Huron
Sterling Heights

Missouri
Kansas City
St. Louis

New York
Albany
Catskill
Hudson
Kingston
Long Island
New York
Rye Brook
Saratoga Springs

Texas
Houston

Report On Peer Review

We are pleased to provide a copy of UHY LLP's most recent peer review report dated January 31, 2021 as well as the related letter from the Chair of the American Institute of Certified Public Accountants' National Peer Review Committee notifying us that the Committee accepted our peer review report on April 21, 2021. Firms can receive a rating of pass, pass with deficiency(ies), or fail. UHY LLP received a peer review report rating of pass – the best possible outcome.

Peer reviews are conducted on a triennial basis and are performed on the system of quality control for the accounting and auditing practice applicable to non-SEC issuers. Our next peer review will be due on January 31, 2024.

A peer review is conducted by qualified CPA inspectors from an outside CPA firm. These peer reviewers select engagements that are representative of the reviewed firm's non-SEC practice. Their selection considers the various industries served by the firm, the partners serving those industries and must include all levels of attest service – audits, reviews, compilations, agreed-upon procedures engagements, SOC 1 and SOC 2 engagements, and other attestation services.

In addition to the numerous engagement files reviewed in detail, the peer reviewers inspect other areas of our non-SEC practice including client acceptance and retention, independence, integrity and objectivity, licensing and professional membership, and our staff and partner resources related to recruiting, hiring, assignments, education and training, and continuing professional education.

We are proud of our record of commitment to quality and pledge to continue in our dedication to the highest level of service.

UHY LLP



National Peer
Review Committee

April 22, 2021

Cynthia Scheuer
UHY LLP
4 Tower Place, Executive Park, 7th Floor
ALBANY, NY 12203

Dear Cynthia Scheuer:

It is my pleasure to notify you that on April 21, 2021, the National Peer Review Committee accepted the report on the most recent System Review of your firm. The due date for your next review is January 31, 2024. This is the date by which all review documents should be completed and submitted to the administering entity. Since your due date falls between January and April, you can arrange to have your review a few months earlier to avoid having a review during tax season.

As you know, the report had a peer review rating of pass. The Committee asked me to convey its congratulations to the firm.

Thank you for your cooperation.

Sincerely,

A handwritten signature in black ink, reading 'Michael Fawley'.

Michael Fawley
Chair, National PRC
+1.919.402.4502

cc: Candace Wright, Betina Dufault

Firm Number: 900003882951

Review Number: 579417



8550 United Plaza Blvd., Ste. 1001 – Baton Rouge, LA 70809
225-922-4600 Phone – 225-922-4611 Fax – pncpa.com

A Professional Accounting Corporation

Report on the Firm's System of Quality Control

To the Partners of UHY LLP
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of UHY LLP (the firm) applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended July 31, 2020. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act; audits of employee benefit plans, an audit performed under FDICIA, an audit of a broker-dealer, and examinations of service organizations [SOC 1 and SOC 2 engagements].

As part of our peer review, we considered reviews by regulatory entities as communicated to the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of UHY LLP applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended July 30, 2020, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. UHY LLP has received a peer review rating of *pass*.

Postlethwaite & Netterville

Baton Rouge, Louisiana
January 11, 2021



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COLUMBIA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
RETAIL SALES POLICY

PREAMBLE

This Policy is hereby adopted by the Columbia County Industrial Development Agency as its policy in connection with projects where facilities or property are primarily used in making retail sales to customers who personally visit such facilities. Former Section 862 of the General Municipal Law governing this matter expired on January 31, 2008. The New York State Legislature has been considering re-enacting this section and/or enacting other legislation dealing with this issue. In the meantime, and pending additional legislation on this issue, the Columbia County Industrial Development Agency wishes to adopt this policy regarding retail sales.

SECTION 1. - POLICY.

The Columbia County Industrial Development Agency shall follow the provisions of former Section 862 of the General Municipal Law, notwithstanding that these provisions expired on January 31, 2008. This Policy shall continue until such time as new provisions regarding retail sales are enacted into law.

In accordance with former Section 862 of the General Municipal Law, the following provisions shall apply:

1. Tourism Destination projects and projects operated by not-for-profit corporations or entities shall not be prohibited by this Policy.

2. The Board may but is not required to consider projects involving retail sales, notwithstanding the prohibition set forth in former Section 862 of the General Municipal Law, where (a) the project occupant would, but for the assistance provided by the Agency, locate the related jobs outside the State, or (b) the predominant purpose of the project would be to make available goods

or services which would not, but for the project, be reasonably accessible to residents of the City, Town, Village, or County within which the proposed project would be located, because of a lack of reasonably accessible retail trade facilities offering such goods or services, or (c) the project is located in a highly distressed area. With respect to any such projects that the Agency elects to consider pursuant to the provisions of subparagraphs (a), (b) or (c) above, no project will be approved unless the Agency finds, after public hearing required by Section 859(a) of the General Municipal Law, that undertaking the project will serve the public purposes of this Article by preserving permanent, private sector jobs, or increasing the overall number of permanent, private sector jobs in the State. Where the Agency makes such a finding, prior to providing financial assistance to the project by the Agency, the Chief Executive Officer of the municipality for whose benefit the Agency was created shall confirm the proposed action of the Agency.

3. Also, pursuant to the provisions of former Section 862 of the General Municipal Law, no funds of the Agency shall be used for the purpose of preventing the establishment of an industrial or manufacturing plant, nor shall any funds of the Agency be given to any group or organization which is attempting to do so, nor shall such funds of the Agency be used for advertising or promotional materials which depict elected or appointed government officials in either print or electronic media.

4. Where applicable, all of the provisions of former Section 862 of the General Municipal Law are continued and incorporated herein with respect to this Agency's policy regarding retail sales. However, the Agency shall have full authority to make any determination it believes to be appropriate in connection with any such application involving retail sales, and any such determinations are solely within the discretion of the Agency and shall not be subject to review or challenge by any applicant or third party.

DATED:

PART 17

UNIFORM TAX EXEMPTION POLICY

SECTION 1701. PURPOSE AND AUTHORITY. Pursuant to Section 874(4)(a) of Title One of Article 18-A of the General Municipal Law (the "Act"), Columbia County Industrial Development Agency is required to establish a uniform tax exemption policy applicable to the provision of any financial assistance of more than one hundred thousand dollars to any project.

SECTION 1702. DEFINITIONS. All words and terms used herein and defined in the Act shall have the meanings assigned to them in the Act, unless otherwise defined herein or unless the context or use indicates another meaning or intent. The following words and terms used herein shall have the respective meanings set forth below, unless the context or use indicates another meaning or intent:

(A) "Administrative fee" shall mean a charge imposed by the Agency to an applicant or project occupant for the administration of project.

(B) "Agency fee" shall mean the normal charges imposed by the Agency on an applicant or a project occupant to compensate the Agency for the Agency's participation in a project. The term "Agency Fee" shall include not only the Agency's normal administrative fee, but also may include (1) reimbursement of the Agency's expenses, (2) rent imposed by the Agency for use of the property imposed by the Agency, and (3) other similar charges imposed by the Agency.

(C) "Applicant" shall mean an applicant for financial assistance.

(D) "City" shall mean the City of Hudson.

(E) "County" shall mean the County of Columbia.

(F) "PILOT" or "Payment in Lieu of Tax" shall mean any payment made to the Agency or an affected tax jurisdiction equal to all or a portion of the real property taxes or other taxes which would have been levied by or on behalf of an affected tax jurisdiction with respect to a project but for tax exemption obtained by reason of the involvement of the Agency in such project, but such term shall not include Agency fees.

(G) "School District" shall mean any school district located in the County.

(H) "Tax exemption" shall mean any financial assistance granted to a project which is based upon all or a portion of the taxes which would otherwise be levied and assessed against a project but for the involvement of the Agency.

(I) "Town" shall mean any town located in the County.

(J) "Village" shall mean any village located in the County.

SECTION 1703. GENERAL PROVISIONS. (A) General Policy. The general policy of the Agency is to grant tax exemption as hereinafter set forth to any project which has been or will be financed by the issuance by the Agency of bonds, notes or other evidences of indebtedness with respect thereto.

(B) Exceptions. The Agency reserves the right to deviate from such policy in special circumstances. In determining whether special circumstances exist to justify such a deviation, the Agency may consider factors which make the project unusual, which factors might include but not be limited to the following factors: (1) the magnitude and/or importance of any permanent private sector job creation and/or retention related to project; (2) whether the affected tax jurisdictions will be reimbursed by the project occupant if the project does not fulfill the purposes for which tax exemption was granted; (3) the impact of the project on existing and proposed businesses and/or economic development projects; (4) the amount of private sector investment generated or likely to be generated by the project; (5) demonstrated public support for the project; (6) the estimated value of the tax exemptions requested; and (7) the extent to which the proposed project will provide needed services and/or revenues to the affected tax jurisdictions. In addition, the Agency may consider the other factors outlined in Section 874(4)(a) of the Act.

(C) Application. No request for a tax exemption shall be considered by the Agency unless an application and environmental assessment form are filed with the Agency on the forms prescribed by the Agency pursuant to the rules and regulations of the Agency. Such application shall contain the information requested by the Agency, including a description of the proposed project and of each tax exemption sought with respect to the project, the estimated value of each tax exemption sought with respect to the project, the proposed financial assistance being sought with respect to the project, the estimated date of completion of the project, and whether such financial assistance is consistent with this part.

SECTION 1704. SALES AND USE TAX EXEMPTION. (A) General. State law provides that purchases of tangible personal property by the Agency or by an agent of the Agency, and purchases of tangible personal property by a contractor for incorporation into or improving, maintaining, servicing or repairing real property of the Agency, are exempt from sales and use taxes imposed pursuant to Article 28 of the Tax Law. The Agency has a general policy of abating sales taxes applicable only to the initial acquisition, construction and/or equipping of each project with respect to which the Agency grants financial assistance. The Agency has no requirement for imposing a payment in lieu of tax arising from the exemption of a project from sales and/or use taxes applicable to the initial acquisition, construction and/or equipping of such project, except (1) as described in subsection (E) below or (2) in the circumstance where (a) a project is offered sales tax exemption on the condition that a certain event (such as the issuance of bonds by the Agency with respect to the project) occur by a certain date and (b) such event does not occur, in which case the Agency may require that the applicant make payments in lieu of sales tax to the New York State Department of Taxation and Finance.

(B) Period of Exemption. Except as set forth in subsection (A) above, the period of time for which a sales tax exemption shall be effective (the "tax exemption period") shall be determined as follows:

(1) General. Unless otherwise determined by the Agency, the tax exemption for sales and use taxes shall be for the tax exemption period commencing with the issuance by the Agency of bonds, notes or other evidences of indebtedness with respect to the project and ending on the date of completion of the project.

(2) Early Commencement. The tax exemption period may, at the discretion of the Agency, commence earlier than the date of issuance by the Agency of the Agency's debt relating to the project, provided that (a) the Agency has complied with the requirements of Section 859-a of the Act, (b) the Agency thereafter adopts a resolution determining to commence such period earlier, said resolution to be substantially in the form of Appendix 17A attached hereto, (c) the applicant agrees to the conditions of such resolution and supplies to the Agency the materials required to be supplied to the Agency thereunder, and (d) the Executive Director of the Agency acknowledges satisfaction of all conditions to the granting of such tax exemption set forth in such resolution.

(3) Normal Termination. The tax exemption period will normally end upon the completion of the project. On construction projects, the parties shall agree on the estimated date of completion of the project, and the tax exemption shall cease on the earlier of (a) the actual date of completion of the

project or (b) the date which is six (6) months after the estimated date of such project. On non-construction project, the parties shall agree on the estimated date of completion of the project, and the tax exemption shall cease on the earlier of (a) the actual date of completion of the project or (b) the date which is three (3) months after the estimated date of completion of the project. If the Agency and the applicant shall fail to agree on a date for completion of the project, the Agency shall on notice to the applicant make the determination on the basis of available evidence.

(4) Later Termination. The Agency, for good cause shown, may adopt a resolution extending the period for completion of the project and/or extending the tax exemption period.

(C) Items Exempted. The sales and use tax exemption granted by the Agency shall normally extend only to the following items acquired during the tax exemption period described in subsection (B) above:

- (1) Items incorporated into the real property;
- (2) Tangible personal property, including furniture, furnishings and equipment used to initially equip the project or otherwise forming part of the project, if purchased as agent of the Agency;
- (3) the rental of tools and other items necessary for the construction and/or equipping of the project, if rented as agent of the Agency; and
- (4) office supplies, fuel and similar items consumed in the process of acquiring, constructing and/or equipping the project, if purchased as agent of the Agency.

(D) Items Not Exempted. A sales and use tax exemption shall not be granted for the following:

- (1) purchases occurring beyond the tax exemption period described in subsection (B) above.
- (2) repairs, replacements or renovations of the project, unless such repairs, replacements or renovations constitute major capital-type expenses approved by the Agency as a separate project in the manner contemplated by the Act; or
- (3) operating expenses, unless such operating expenses constitute major capital-type expenses approved by the Agency as a separate project in the manner contemplated by the Act.

(E) Percentage of Exemption. Unless otherwise determined by resolution of the Agency, the sales and use tax exemption shall be equal to one hundred percent (100%) of the sales and/or use taxes that would have been levied if the project were not exempt by reason of the Agency's involvement in the project. If an exemption of less than one hundred percent (100%) is determined by the Agency, then the applicant shall be required to pay a PILOT to the Agency equal to the applicable percentage of sales and/or use tax liability not being abated. The Agency shall remit such PILOT within thirty (30) days of receipt by the Agency to the affected tax jurisdictions in accordance with Section 874(3) of the Act.

(F) Confirmation Letter. The final act of granting a sales and/or use tax exemption by the Agency shall be confirmed by the execution by an authorized officer of the Agency of a confirmation letter by the Agency. Such confirmation letter shall be in the form of either Appendix 17B (where the exemption is permanent, because the Agency is satisfied that any conditions precedent to such tax exemption, such as the issuance of bonds by the Agency, have been satisfied) or Appendix 17C (where such exemption is tentative, because there remain conditions precedent to such tax exemption which have not been satisfied). Each such confirmation letter shall describe the scope and term of the sales and use tax exemption being granted.

(G) Required Filings. The New York State Department of Taxation and Finance requires that proper forms and supporting materials be filed with a vendor to establish a purchaser's entitlement to a sales tax exemption. For example, TSB-M-87(7) outlines the materials that must be filed to establish entitlement to sales

tax exemption as "agent" of the Agency. It is the responsibility of the applicant and/or project occupant to ensure that the proper documentation is filed with each vendor to obtain any sales tax exemptions authorized by the Agency.

(H) Required Reports and Records. (1) Pursuant to Section 874(8), the applicant and/or project occupant is required to annually file with the New York State Department of Taxation and Finance a statement of the value of all sales and use tax exemptions claimed under the Act by the applicant and/or the project occupant and/or all agents, subcontractors and consultants thereof. The project documents shall require that (1) a copy of such statement will also be filed with the Agency and (2) that the project occupant shall maintain, for a period ending seven (7) years after the last purchase made under the sales and use tax exemption, and make available to the Agency at the request of the Agency, detailed records which shall show the method of calculating the sales and use tax exemption benefit granted by the Agency.

(2) Pursuant to Section 874(9) of the Act, the Agency is required to file within thirty (30) days of the date that the Agency designates an applicant to act as agent of the Agency a New York State Department of Taxation and Finance form ST-60. The form identifies the agent of the Agency, provides a brief description of the project and an estimate of the value of the sales tax exemption and certain other information. The project documents shall require the applicant to assist the Agency in completing the form.

SECTION 1705. MORTGAGE RECORDING TAX EXEMPTION. (A) General. State law provides that mortgages recorded by the Agency are exempt from mortgage recording taxes imposed pursuant to Article 11 of the Tax Law. The Agency has a general policy of abating mortgage recording taxes for the initial financing obtained from the Agency with respect to each project with respect to which the Agency issues debt which will be secured by a mortgage upon real property. In instances where the initial financing commitment provides for a construction financing of the Agency to be replaced by a permanent financing of the Agency immediately upon the completion of the project, the Agency's general policy is to abate the mortgage recording tax on both the construction financing and the permanent financing.

(B) Refinancing. In the event that the Agency retains title to a project, it is the general policy of the Agency to abate mortgage recording taxes on any debt issued by the Agency for the purpose of refinancing prior debt issued by the Agency, and on any modifications, extensions and renewals thereof, so long as the Agency fees relating to same have been paid.

(C) Non-Agency Projects. In the event that the Agency does not hold title to a project, it is the policy of the Agency not to join in a mortgage relating to that project and not to abate any mortgage recording taxes relating to that project.

(D) Non-Agency Financings. Occasionally, a situation will arise where the Agency holds title to a project, the project occupant needs to borrow money for its own purposes (working capital, for example), and the lender will not make the loan to the project occupant without obtaining a fee mortgage as security. In such instances, the policy of the Agency is to consent to the granting of such mortgage and to join in such mortgage, so long as the following conditions are met:

(1) the documents relating to such proposed mortgage make it clear that the Agency is not liable on the debt, and that any liability of the Agency on the mortgage is limited to the Agency's interest in the project;

(2) the granting of the mortgage is permitted under any existing documents relating to the project, and any necessary consents relating thereto have been obtained by the project occupant; and

(3) the payment of the Agency fee relating to same.

(E) Exemption Affidavit. The act of granting a mortgage recording tax exemption by the Agency is confirmed by the execution by an authorized officer of the Agency of an exemption affidavit relating thereto. A sample exemption affidavit is attached as Appendix 17D.

(F) PILOT Payments. If the Agency is a party to a mortgage that is not to be granted a mortgage recording tax exemption by the Agency (a "nonexempt mortgage"), then the applicant and/or project occupant or other person recording same shall pay the same mortgage recording taxes with respect to same as would have been payable had the Agency not been a party to said mortgage (the "normal mortgage tax"). Such mortgage recording taxes are payable to the County Clerk of the County, who shall in turn distribute same in accordance with law. If for any reason a non-exempt mortgage is to be recorded and the Agency is aware that such non-exempt mortgage may for any reason be recorded without the payment of the normal mortgage tax, then the Agency shall prior to executing such non-exempt mortgage collect a PILOT equal to the normal mortgage tax and remit same within thirty (30) days of receipt by the Agency to the affected tax jurisdiction in accordance with Section 874(3) of the Act.

SECTION 1706. REAL ESTATE TRANSFER TAXES. (A) Real Estate Transfer Tax. Article 31 of the Tax Law provides for the imposition of a tax upon certain real estate transfers. Section 1405(b)(2) of the Tax Law provides that transfers into the Agency are exempt from such tax, and the New York State Department of Taxation and Finance has ruled that transfers of property by the Agency back to the same entity which transferred such property to the Agency are exempt from such tax. The general policy of the Agency is to impose no payment in lieu of tax upon any real estate transfers to or from the Agency.

(B) Required Filings. It shall be the responsibility of the applicant and/or project occupant to ensure that all documentation necessary relative to the real estate transfer tax is timely filed with the appropriate officials.

SECTION 1707. REAL ESTATE TAX EXEMPTION. (A) General. Pursuant to Section 874 of the Act and Section 412-a of the Real Property Tax Law, property owned by or under the jurisdiction or supervision or control of the Agency is exempt from general real estate taxes but not exempt from special assessments and special ad valorem levies. However, it is the general policy of the Agency that, notwithstanding the foregoing, every nongovernmental project will be required to enter into a payment in lieu of tax agreement (a "PILOT Agreement"), either separately or as part of the project documents. Such PILOT Agreement shall require payment of PILOT payments in accordance with the provisions set forth below.

(B) PILOT Requirement. Unless the applicant and/or project occupant and the Agency shall have entered into a PILOT Agreement acceptable to the Agency, the project documents shall provide that the Agency will not file a New York State Department of Taxation and Finance, Division of Equalization and Assessment Form EA-412-a (an "Exemption Form") with respect to the project, and the project documents shall provide that the applicant and/or the project occupant shall be required to make PILOT payments in such amounts as would result from taxes being levied on the project by the taxing jurisdictions if the project were not owned by or under the jurisdiction or supervision or control of the Agency. The project documents shall provide that, if the Agency and the applicant and/or project occupant have entered into a PILOT Agreement, the terms of the PILOT Agreement shall control the amount of PILOT payments until the expiration or sooner termination of such agreement.

(C) PILOT Agreement. Unless otherwise determined by resolution of the Agency, all PILOT Agreements shall satisfy the following general conditions:

(1) Amount of Abatement. The general policy of the Agency is to allow the assessor of the municipality in which the project is located to ascertain the assessed value of a project owned by the Agency. Once the assessed value is established, the Agency will reduce the assessed value by an exemption percentage, and the resulting value will become the value for PILOT purposes (the "PILOT value"). The PILOT payment will then be computed for each taxing entity in each year by multiplying the PILOT value by the applicable tax rate of such tax entity in such year.

(2) Percentage of Exemption. The percentage of abatement applicable to a project shall normally be computed in accordance with the following table:

<u>TAX FISCAL YEAR</u>	<u>AMOUNT OF PILOT VALUE (EXPRESSED AS A PERCENTAGE OF FULL VALUE)</u>		
	<u>EXISTING ASSESSMENT</u>	<u>INDUSTRIAL VALUE-ADDED</u>	<u>NON-INDUSTRIAL VALUE ADDED</u>
1	100%	0%	50%
2	100%	10%	55%
3	100%	20%	60%
4	100%	30%	65%
5	100%	40%	70%
6	100%	50%	75%
7	100%	60%	80%
8	100%	70%	85%
9	100%	80%	90%
10	100%	90%	95%
11	100%	100%	100%

(3) Special District Taxes. As indicated above, the Agency is not exempt from special assessments and special ad valorem levies, and accordingly these amounts are not subject to abatement by reason of ownership of the Project by the Agency. The PILOT Agreement shall make this clear and shall require that all such amounts be directly paid by the applicant and/or project occupant. However, applicant and project occupants should be aware that the courts have ruled that an Agency sponsored project is eligible to apply for a tax-exemption under Section 485-b of the Real Property Tax Law. If an applicant or project occupant desires to obtain an exemption under Section 485-b, it is the responsibility of the applicant and/or project occupant to apply for same.

(4) Payee. Unless otherwise determined by resolution of the Agency, all PILOT payments payable to an affected tax jurisdiction shall be assessed, billed and collected directly by the Agency. Pursuant to Section 874(3) of the Act, such PILOT payments shall be remitted to each affected tax jurisdiction within thirty (30) days of receipt.

(5) Enforcement. An affected tax jurisdiction which has not received a PILOT payment due to it under a PILOT Agreement may exercise its remedies under Section 874(6) of the Act. In addition, such affected tax jurisdiction may petition the Agency to exercise whatever remedies that the Agency may have under the project documents to enforce payment and, if such affected tax jurisdiction indemnifies the Agency and agrees to pay the Agency's costs incurred in connection therewith, the Agency may take action to enforce the PILOT Agreement.

(D) Required Filings. As indicated in subsection (B) above, pursuant to Section 874 of the Act and Section 412-a of the Real Property Tax Law, no real estate tax exemption with respect to a particular project shall be effective until an exemption form is filed with the assessor of each county, city, town, village and school district in which such project is located (each, a "Taxing Jurisdiction"). Once an exemption form with respect to a particular project is filed with a particular Taxing Jurisdiction, the real property tax exception for such project does not take effect until (1) a tax status date for such Taxing Jurisdiction occurs subsequent to such filing, (2) an assessment roll for such Taxing Jurisdiction is finalized subsequent to such tax status date, (3) such assessment roll becomes the basis for the preparation of a tax roll for such Taxing Jurisdiction, and (4) the tax year to which such tax roll relates commences.

(E) Real Property Appraisals. Since the policy of the Agency stated in subsection (C)(1) is to base the value of a project for payment in lieu of tax purposes on a valuation of such project performed by the Assessor of the Town, normally a separate real property appraisal is not required. However, the Agency may require the submission of a real property appraisal if (1) the assessor of any particular Taxing Jurisdiction requires one or (2) if the valuation of the project for payment in lieu of tax purposes is based on a value determined by the applicant or by someone acting on behalf of the applicant, rather than by an assessor for a Taxing Jurisdiction or by the Agency. If the Agency requires the submission of a real property appraisal, such appraisal shall be prepared by an independent MAI certified appraiser acceptable to the Agency.

(F) Employment Filings. If the Agency grants the applicant an exemption under this Section 1707, the applicant will be required to file, or cause to be filed, with the Agency, on an annual basis, reports regarding the number of people employed at the project site.

SECTION 1708. PROCEDURES FOR DEVIATION. (A) General. In the case where the Agency shall determine that any policy of the Agency as herein established is inappropriate or unfair, the Agency may determine:

(1) the amount of the tax exemption, the amount and nature of the PILOT, the duration of the exemption and of the PILOT and whether or not an exemption of any kind shall be granted and shall impose such terms and conditions as shall be just and proper; and

(2) the Agency shall give written notice of the proposed deviation from the policy set forth herein to each affected taxing jurisdiction setting forth the terms and conditions of the deviation and the reasons therefor. Such notice to the affected tax jurisdictions shall be given to the chief executive officer of each affected tax jurisdiction at least thirty days prior to the meeting of the Agency at which the Agency shall consider whether to approve such deviation. Prior to taking any final action on a proposed deviation, the Agency shall review and respond to any correspondence received from any affected tax jurisdiction regarding the proposed deviation and allow any representative of an affected tax jurisdiction present at such meeting to address the Agency regarding the proposed deviation.

(B) Troubled Projects. Where a project is owned and operated by the Agency or has been acquired by the Agency for its own account after a failure of a project occupant, the project shall at the option of the Agency be exempt from all taxes in accordance with law.

(C) Unusual Projects. Where a project is unusual in nature and requires special considerations related to its successful operations as demonstrated by appropriate evidence presented to the Agency, the Agency shall consider the granting of a deviation from the established exemption policy in accordance with the procedures

provided in the title. The Agency may authorize a minimum payment in lieu of tax or such other arrangement as may be appropriate.

SECTION 1709. ANNUAL REVIEW OF POLICIES. (A) General. At least annually, the Agency shall review its tax exemption policies to determine relevance, compliance with law, effectiveness, and shall adopt any modifications or changes that it shall deem appropriate. Unless otherwise provided by resolution, such annual review shall take place at the regular June meeting of the Agency, notice for comments on such policies shall be circulated 30 days prior to such meeting to Columbia County and affected tax jurisdictions, and adoption of any changes shall take effect upon approval by the Agency. The Chairman and the Executive Director shall be responsible for conducting an annual review of the tax exemption policy and for an evaluation of the internal control structure established to ensure compliance with the tax exemption policy which shall be submitted to the Agency for approval. The thirty day comment period shall not apply to the adoption of the original policies of the Agency which said policies shall become effective as herein provided.

Resolution No.

RESOLUTION TEMPORARILY APPOINTING (THE "COMPANY") AS AGENT OF COLUMBIA COUNTY INDUSTRIAL DEVELOPMENT AGENCY FOR THE PURPOSE OF UNDERTAKING AND COMPLETING A PROJECT TO BE LOCATED IN COLUMBIA COUNTY, NEW YORK.

WHEREAS, Columbia 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 366 of the 1976 Laws of New York, as amended, constituting Section 895-1 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 industrial, manufacturing, warehousing, commercial, research and recreation 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 issue its industrial development revenue bonds to finance the cost of acquisition, construction and installation of one or more "projects" (as defined in the Act), to acquire, construct and install said projects 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, _____ (the "Company") has presented an application (the "Application") to the Agency, a copy of which was presented at this meeting and copies of which are on file at the office of the Agency, requesting that the Agency consider undertaking a project (the "Project") consisting of: [insert project description]; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended, and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively, the "SEQR Act"), by resolution adopted on _____ (the "SEQR Resolution"), the Agency has determined that the Project 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

WHEREAS, by further resolution adopted on _____ (the "Inducement Resolution"), the Agency has (A) determined that the procedural requirements of Section 859-a of the Act have been fulfilled and therefore has decided to proceed with the granting of the financial assistance described in Section 2 of the Inducement Resolution (the "Financial Assistance"), and (B) approved the execution of a lease agreement or an installment sale agreement (the "Project Agreement") and related documentation between the Agency and the Company with respect to the Project; and

WHEREAS, although the Project Agreement and the related documentation have not yet been prepared, the Company has indicated to the Agency that the Company desires to commence the Project prior to completion of said Project Agreement and related documentation; and

WHEREAS, in order to preserve the sales tax exemption which forms a major portion of the Financial Assistance, the Agency now desires to temporarily formalize its understandings with the Company regarding the undertaking and completion of the Project by the Company as agent of the Agency;

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

00161.0320/ALBDOCS:47571_1 (10PF01) /06/06/00

Section 1. In order to preserve the sales tax exemption which forms a major part of the Financial Assistance, and in order to facilitate the commencement of the Project, the Company is hereby temporarily appointed the true and lawful agent of the Agency (A) to undertake and complete the Project, as the stated agent for the Agency, (B) to make, execute, acknowledge and deliver all contracts, orders, receipts, writings and instruments necessary in connection therewith, and in general to do all things as may be requisite or proper for completing the Project with the same powers and the same validity as the Agency could do if acting in its own behalf and (C) to pay all fees, costs and expenses incurred in the undertaking and completion of the Project from its own funds, subject to reimbursement from the proceeds of the Bonds, if and when the Bonds shall be issued, said temporary appointment to last until earlier to occur of (1) the execution and delivery of the Project Agreement or (2) and said temporary appointment to be subject to the following conditions:

(1) The Company will, on behalf of the Agency, undertake and complete the Project in accordance with the plans (the "Plans") of the Company described in the Inducement Resolution and the application of the Company to the Agency referred to therein (the "Application").

(2) The Company will not revise the Plans in any material respect without the prior written consent of the Agency, which consent may not be unreasonably withheld or delayed but may be subject to such reasonable conditions as the Agency may deem appropriate.

(3) Title to all materials, equipment, machinery and other items of property intended to be incorporated in or installed as part of the Project shall vest in the Agency immediately upon delivery to the Project site, at which time such materials, machinery and other items of property shall become the sole property of the Agency. The Company shall execute, deliver and record or file all instruments necessary or appropriate to so vest title in the Agency and shall take all action necessary or appropriate to protect such title against claims of any third persons. Title to the Project shall be conveyed by the Agency to the Company pursuant to the provisions of the Project Agreement.

(4) All materials, equipment, machinery and other items of personal property intended to be incorporated in or installed as part of the Project shall be ordered and purchased by the Company, as agent of the Agency, and invoices therefore shall be directed to the Company, as agent of the Agency. The Agency hereby appoints the Company as agent of the Agency to make such purchases of said materials, equipment, machinery and other items of personal property; provided, however, that NO SUCH CONTRACT SHALL RESULT IN THE ASSUMPTION BY THE AGENCY OF ANY OBLIGATION TO PAY ANY COSTS AND EXPENSES, EXCEPT OUT OF THE PROCEDURES OF THE BONDS (IF AND WHEN ISSUED, AND THEN ONLY TO THE EXTENT PROVIDED IN THE INITIAL RESOLUTION), and the Company shall agree to pay all funds necessary to make all payments required under such contracts, subject to reimbursement from the proceeds of the Bonds if the Bonds are issued. It is understood that if the Bonds shall be issued and the proceeds of the Bonds are not sufficient to pay in full all costs of the acquisition, construction and installation of the Project Facility, the Company shall pay such excess costs and shall not be entitled to any reimbursement therefor from the Agency or otherwise.

(5) The Company shall indemnify, defend and hold the Agency (and its members, officers, agents, employees and servants) harmless from all claims and liabilities for labor, services, materials and supplies, including equipment, ordered or used in connection with the undertaking and completion of the Project (including any expenses incurred by the Agency and its members, officers, agents, employees and servants, in defending any claims, suits or actions which may arise as a result of any of the foregoing), whether or not such claims or liabilities arise as a result of the Company acting as agent for the Agency pursuant to the authority conferred upon it by this Resolution.

(6) The Company shall indemnify, defend and hold the Agency (and its members, officers, agents, employees and servants) harmless from all claims and liabilities for loss or damage to property or any injury to or death of any person that may be occasioned by any cause whatsoever in relation to the

Project, including any expenses incurred by the Agency (and its members, officer, agents, employees and servants) in defending any claims, suits or actions which may result as a result of the foregoing.

(7) The Company shall give or cause to be given all notices and comply or cause compliance with all laws, ordinances, rules, regulations and requirements of all governmental agencies and public authorities applying to or affecting the undertaking and completion of the Project (the applicability of all such laws, ordinances, rules, regulations and requirements shall be determined both as if the Agency were deemed to be the owner of the Project and as if the Company and not the Agency were deemed to be the owner of the Project), and the Company will defend and save the Agency and its officers, members, agents, employees and servants harmless from all fines and penalties due to failure to comply therewith. All permits and licenses necessary for the undertaking and completion of the Project shall be procured promptly by the Company.

(8) The Company shall agree, and by executing this Resolution does agree, that as agent for the Agency the Company will comply with all laws applicable to the Agency in connection with the undertaking and completion of the Project by the Agency (the applicability of all such laws, ordinances, rules, regulations and requirements shall be determined both as if the Agency were deemed to be the owner of the Project and as if the Company and not the Agency were deemed to be the owner of the Project). Such laws shall include, if applicable, Article 8 of the Labor Law of the State of New York, as amended from time to time.

(9) Any costs or expenses incurred by the Agency or by the Company as agent of the Agency with respect to the Project shall, to the extent permitted by law and the Initial Resolution, be paid or reimbursed out of the proceeds of the Bonds, or if the Bonds are not issued by the Agency, shall be paid by the Company.

(10) The Company shall supply the Chairman of the Agency with a general liability insurance policy naming the Company and the Agency as insureds and providing coverage in minimum amounts reasonably acceptable to the Chairman and Counsel of the Agency, including coverage for accidents or occurrences on account of personal injury, including death resulting therefrom, and damage to the property of others, excluding liability imposed upon the Company by any applicable workers' compensation law, which insurance policies shall (a) also name the members, officers, agents, employees and servants of the Agency as additional insureds, as their interests shall appear, and (b) also provide contractual liability insurance coverage insuring the Company's obligations pursuant to paragraphs (5) and (6) hereof to indemnify, defend and save harmless the Agency and its members, officers, agents, employees and servants, as their interests shall appear.

(11) The Company shall supply the Chairman of the Agency with policies, or certificates evidencing such policies, of workmen's compensation insurance, disability benefits insurance and each other form of insurance which the Agency or the Company is required by law to provide, covering loss resulting from injury, sickness, disability or death of employees of the Company or the Agency who are located at or assigned to work on the Project.

(12) The obligations and agreements of the Agency contained herein shall be deemed the obligations and agreements of the Agency and not of any member, officer, agent (other than the Company), employee or servant of the Agency in his individual capacity, and the members, officers, agents (other than the Company), employees and servants of the Agency shall not be liable personally hereon or be subject to any personal liability of accountability based upon or in respect hereof or of any transaction contemplated hereby.

(13) The obligations and agreements of the Agency contained herein shall not constitute or give rise to an obligation of the State of New York or Columbia County, New York, and neither the State of New York nor Columbia County, New York shall be liable thereon, and further, such obligations and agreements shall not constitute or give rise to a general obligation of the Agency, but

rather shall constitute limited obligations of the Agency payable solely from the revenues of the Agency derived and to be derived from the lease, sale or other disposition of the Project (excepting funds payable pursuant to paragraphs (5), (6) and (14) hereof).

(14) Notwithstanding any provision of this resolution to the contrary, the Agency shall not be obligated to take any action pursuant to any provision hereof unless (a) the Agency shall have been requested to do so in writing by the Company and (b) if compliance with such request is reasonable expected to result in the incurrence by the Agency (or any member, officer, agent (other than the Company), employee or servant of the Agency) of any liability, fees, expenses or other costs, the Agency shall have received from the Company security or indemnity satisfactory to the Agency for protection against all such liability and for the reimbursement of all such fees, expenses and other costs.

(15) Payment by the Company of the Agency's administrative fee with respect to the Project.

(16) The Company acknowledges receipt of notice of Section 874(8) of the Act, which requires that the Company as agent of the Agency must annually file a statement with the New York State Department of Taxation and Finance, on a form and in such a manner as is prescribed by the Commissioner of Taxation and Finance, of the value of all sales tax exemptions claimed by the Company under the authority granted by the Agency.

(17) The foregoing appointment of the Company as agent of the Agency is subject to the condition that, in the event that the Bonds are not sold and delivered on or before _____ (or such later date as may be agreed to in writing by the Agency), the foregoing appointment of the Company as agent of the Agency may be revoked by the Agency, retroactive to the date of this resolution, and thereupon the Agency shall notify the New York State Department of Taxation and Finance of such revocation.

(18) The Company acknowledges receipt of notice of Section 858-b of the Act, which requires that the Company list new employment opportunities created as a result of the Project with the following entities (hereinafter, the "JTPA Entities"): (a) the New York State Department of Labor Community Services Division and (b) the administrative entity of the service delivery area created by the federal job training partnership act (P.L. No. 97-300) in which the project is located. The Company agrees, where practicable, to first consider for such new employment opportunities persons eligible to participate in federal job training partnership programs who shall be referred by the JTPA Entities.

(19) The following additional conditions: None.

Section 2. This Resolution shall take effect upon the date that all of the following shall have occurred: (a) the Company shall have accepted the provisions of this Resolution; (b) the Company shall have delivered two copies of this Resolution, with the acceptance clauses thereof fully executed by the Company, to the Chairman of the Agency; (c) the Company shall have obtained the insurance policies required by paragraphs (10) and (11) of Section I hereof and shall have delivered evidence thereof to the Chairman of the Agency, such evidence to be in such form as the Chairman of the Agency shall deem appropriate, (d) the Company shall have paid the Agency's administrative fee with respect to the Project and (e) the Agency shall deliver to the Company a copy of this Resolution with the receipt and acknowledgment executed by the Agency.

ACCEPTANCE

The Company hereby accepts the appointment to act as agent of the Agency in connection with the Project and the Company accepts the provisions of this Resolution, including the conditions contained in Section 2 of this Resolution, and agrees to comply with such provisions and conditions.

IN WITNESS WHEREOF, the Company has caused this Acceptance to be executed in its name as of this _____ day of _____, 20____.

BY: _____

Title:

RECEIPT

The undersigned hereby acknowledges receipt of the items called for in Section 2 of this Resolution and acknowledges that therefore this Resolution is in full force and effect.

COLUMBIA COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

BY:

(Vice) Chairman

To Whom It May Concern:

Re: New York State Sales or Use Tax Exemption Columbia County Industrial Development Agency Project

Pursuant to TSB-M-87(7) issued by the New York State Department of Taxation and Finance on April 1, 1987 (the "Policy Statement"), you have requested a letter from Columbia County Industrial Development Agency (the "Agency") containing the information required by the Policy Statement regarding the temporary appointment by the Agency of (the "Company") as agent of the Agency for purposes of affording the Company a sales tax exemption with respect to supplies, materials, fixtures and equipment intended to be incorporated in or installed as part of the following described project (the "Project"), as well as a sales tax exemption for all labor and other services used in connection with the acquisition and installation of said Project, to wit: [insert project description].

Please be advised that on the Agency, a public benefit corporation and a governmental agency of the State of New York, adopted a resolution whereby the Issuer appointed the Company as its agent to undertake and complete the Project.

This is to certify that, under the Policy Statement, purchases by the Agency, through its agent, the Company, of materials and equipment to be incorporated into the Project, as well as purchases of supplies, tools, equipment, or services necessary to undertake and/or complete the Project, are exempt from any sales or use tax imposed by the State of New York or any governmental instrumentality located within the State of New York.

It is hereby further certified that, under the Policy Statement, since the Agency is a public benefit corporation, neither the Agency, nor the Company as its agent, is required to furnish an "Exempt Organization Certificate" in **order to secure exemption from any sales or use tax for such items or services,**

Under the Policy Statement, a copy of this letter retained by any vendor or seller to the Company, as agent for the Agency, may be accepted by such vendor or seller as a "statement and additional documentary evidence of such exemption" as provided by New York State Tax Law 1132(c)(2), thereby relieving such vendor or seller from the obligation to collect any sales or use tax upon purchases or rentals of such materials, supplies, tools, equipment, or services by the Issuer through its agent, the Company.

THIS LETTER SHALL BE IN EFFECT UNTIL _____

In the event you have any questions with respect to the above, please do not hesitate to call me.

Very truly yours,

COLUMBIA COUNTY INDUSTRIAL
DEVELOPMENT AGENCY
(Vice) Chairman

APPENDIX 17C

SAMPLE SALES TAX CONFIRMATION LETTER
WHERE EXEMPTION IS TENTATIVE

To Whom It May Concern:

Re: Tentative New York State Sales or Use Tax Exemption
Columbia County Industrial Development Agency Project
_____ Project

Pursuant to TSB-M-87(7) issued by the New York State Department of Taxation and Finance on April 1, 1987 (the "Policy Statement"), you have requested a letter from Columbia County Industrial Development Agency (the "Agency") containing the information required by the Policy Statement regarding the temporary appointment by the Agency of (the "(Company)") as agent of the Agency for purposes of affording the Company a sales tax exemption with respect to supplies, materials, fixtures and equipment intended to be incorporated in or installed as part of the following described project (the "Project"), as well as a sales tax exemption for all labor and other services used in connection with the acquisition and installation of said Project, to wit: [insert project description].

Please be advised that on _____, the Agency, a public benefit corporation and a governmental agency of the State of New York, adopted a resolution whereby the Issuer appointed the Company as its agent to undertake and complete the Project, SUBJECT TO THE CONDITION THAT IN THE EVENT THAT THE BONDS ARE NOT SOLD AND DELIVERED ON OR BEFORE (OR SUCH LATER DATE AS MAY BE AGREED TO IN WRITING BY THE AGENCY), THE FOREGOING APPOINTMENT OF THE COMPANY AS AGENT OF THE AGENCY MAY BE REVOKED BY THE AGENCY, RETROACTIVE TO THE DATE OF THIS RESOLUTION, AND THEREUPON THE AGENCY SHALL NOTIFY THE NEW YORK STATE DEPARTMENT OF TAXATION AND FINANCE OF SUCH REVOCATION.

This is to certify that, under the Policy Statement, purchases by the Agency, through its agent, the Company, of materials and equipment to be incorporated into the Project, as well as purchases of supplies, tools, equipment, or services necessary to undertake and/or complete the Project, are exempt from any sales or use tax imposed by the State of New York or any governmental instrumentality located within the State of New York.

It is hereby further certified that, under the Policy Statement, since the Agency is a public benefit corporation, neither the Agency, nor the Company as its agent, is required to furnish an "Exempt Organization Certificate" in order to secure exemption from any sales or use tax for such items or services.

Under the Policy Statement, a copy of this letter retained by any vendor or seller to the Company, as agent for the Agency, may be accepted by such vendor or seller as a "statement and additional documentary evidence of such exemption" as provided by New York State Tax Law 1132(c)(2), thereby relieving such vendor or seller from the obligation to collect any sales or use tax upon purchases or rentals of such materials, supplies, tools, equipment, or services by the Issuer through its agent, the Company.

This letter shall be in effect until _____

In the event you have any questions with respect to the above, please do not hesitate to call me.

Very truly yours,

COLUMBIA COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

By: (Vice) Chairman

IN THE MATTER OF TAXATION

OF

COLUMBIA COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

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

The undersigned, being duly sworn, deposes and says:

1. That he resides at in Columbia County, New York, and is the (Vice) Chairman of Columbia County Industrial Development Agency (the "Agency"), a public benefit corporation of the State of New York, established by Title 1 of Article 18-A of the General Municipal Law of the State of New York and Chapter 366 of the 1976 Laws of the State of New York, (collectively, the "Act").

2. That, on or about, _____ the Agency will acquire certain real property (for convenience hereinafter referred to as (the "Land")) situate in the of _____ Columbia County, New York, as more particularly described in Exhibit A attached hereto.

3. That, pursuant to Section 874 of the Act and Section 1405(b)(1) of the Tax Law of the State of New York, no real estate transfer tax is due upon the instruments conveying the Land to the Agency.

4. That, on or about _____, the Agency will issue its Industrial Development Revenue Bond(s) (Project), Series _____ in the principal amount of \$ _____ (the "Bond(s)") in order to assist in providing financing with which the Agency can undertake a project (the "Project") consisting of [insert project description].

That, contemporaneously with the acquisition of the Land, the Agency will enter into an installment sale agreement dated as of (the "Installment Sale Agreement") with (the "Company") whereby the Company will agree to purchase the Project Facility and will covenant to pay basic installment purchase payments, in the amount required by the Installment Sale Agreement, which basic installment purchase payments are to be paid directly to _____, as [holder (the "Holder")] [trustee for the holders (the "Trustee")] of the Bond(s).

5. That, contemporaneously with the issuance of the Bond(s), the Agency will deliver to the [Holder] [Trustee] (A) a mortgage from the Agency and the Company to the [Holder] [Trustee] dated as of (the "Mortgage") whereby the Agency grants to the [Holder] [Trustee] a Lien on and security interest in the Project Facility to secure the payment of the Bond(s) and the Company joins in said Mortgage to subject its interest in the Project Facility to the lien thereof, (8) a pledge and assignment from the Agency to the [Holder] [Trustee] dated as of (the "Pledge and Assignment") whereby the Agency assigns to the [Holder] [Trustee] certain of its rights in the Installment Sale Agreement and certain moneys due the Agency thereunder to further secure the payment of the principal of, premium, if any, and interest on the Bond(s), and (C) an assignment of leases and rents from the Agency and the Company to the [Holder] [Trustee] dated as of (the "Assignment of Rents") which assigns to the [Holder] [Trustee] all leases affecting the Project Facility (the "Leases") and the rents payable thereunder.

6. Pursuant to Article 18-A of the General Municipal Law, the Agency is regarded as performing a governmental function and is generally not required to pay taxes or assessments upon any property acquired by it

1
or under its jurisdiction or control or supervision or upon its activities, and any bonds or notes issued by the Agency, together with the income therefrom, as well as the property of the Agency, together with the income therefrom, as well as the property of the Agency, pursuant to such legislation, are exempt from taxation, except for transfer and estate taxes.

7. Deponent submits that no mortgage tax should be imposed upon the Installment Sale Agreement (or a memorandum thereof), the Pledge and Assignment, the Leases (or memoranda thereof), the Assignment of Rents, or the Mortgage (collectively, the "Recording Documents") because (A) said Recording Documents are being executed and delivered under the state authority creating the Agency, (B) the use by the Agency of its powers to additionally secure the payment of principal, premium, if any, and interest on the Bond(s) and to assist in the acquisition of the Project Facility is deemed by Article 18-A of the General Municipal Law to be a public purpose essential to the public interest, and (C) both the New York State Department of Taxation and Finance and the Counsel have expressed their opinion that the recording of similar documents by similar agencies organized under Article 18-A of the General Municipal Law are operations of said agencies entitled to exemption from the mortgage recording tax.

COLUMBIA COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

BY:

(Vice) Chairman

Sworn to before me this
____ day of _____

Notary Public

EXHIBIT A

DESCRIPTION OF LAND

(TO BE PROVIDED BY THE COMPANY)

**UNIFORM TAX EXEMPTION POLICY AMENDMENTS - 2014
APPROVAL RESOLUTION**

A special meeting of Columbia County Industrial Development Agency (the "Agency") was convened in public session at the West Ghent Volunteer Fire Company located at 74 Bender Boulevard in the Town of Ghent, Columbia County, New York on November 5, 2014 at 10:30 o'clock a.m., local time.

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:

Bruce Bohnsack	Chairman
Sid Richter	Vice Chairman
Donald Kline	Secretary-Treasurer
Robert Galluscio	Member
James Mackerer	Member
Robert Stickles	Member

ABSENT:

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Kenneth Flood	Executive Director
Lisa Drahushuk	Administrative Supervisor
Theodore Guterman, II, Esq.	Agency Counsel
A. Joseph Scott, III, Esq.	Special Counsel

The following resolution was offered by Robert Galluscio, seconded by Robert Stickles, to wit:

Resolution No. ____

**RESOLUTION APPROVING CERTAIN AMENDMENTS TO THE
AGENCY'S UNIFORM TAX EXEMPTION POLICY.**

WHEREAS, Columbia 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 I 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 366 of the 1976 Laws of New York, as amended, constituting Section 895-1 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, the Agency has adopted a uniform tax exemption policy (the "Policy") providing for guidelines for the claiming of real property, mortgage recording and sales tax exemptions; and

WHEREAS, pursuant to Section 1709 of the Policy, unless otherwise provided by resolution, the Agency shall annually review this Policy at the Agency's regular June meeting, with notice for comments on such Policy to be circulated 30 days prior to such meeting to Columbia County and the affected tax jurisdictions, with adoption of any changes effective upon approval of the Agency; and

WHEREAS, the members of the Agency desire to conduct a review of the Agency's Policy at this meeting, as allowed by Section 1709 of the Policy; and

WHEREAS, there have been modifications to the Act which have affected the notice periods for various actions of the Agency and the Agency desires to make its Policy consistent with the provisions of the Act; and

WHEREAS, in connection with such review, the Agency has considered making a certain amendment to the Policy (the "Amendment"), which the Amendment is attached as Schedule A hereto;

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

Section 1. The Agency has reviewed the Amendment attached hereto as Schedule A. The Agency makes the following findings and determinations with respect to the Amendment:

(A) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and

(B) The adoption of the Amendment will promote and maintain the job opportunities, general prosperity and economic welfare of the citizens of Columbia County, New York and the State of New York and improve their standard of living; and

(C) The adoption of the Amendment will also make the Agency's Policy consistent with the provisions of the Act; and

(D) It is desirable and in the public interest for the Agency to adopt the Amendment; and

(E) The adoption by the Agency of the Amendment constitutes continuing agency administration and management (not new programs or a major reordering of priorities), and is therefore 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 Environment Conservation of the State of New York, being 6 NYCRR Part 617, as amended (the "Regulations") (the SEQR Act and the Regulations being collectively referred to as "SEQRA") and, according, no further action by the Agency under SEQRA is required.

Section 2. The form, terms and substance of the Amendment are hereby approved in all respects.

Section 3. The Agency hereby authorizes the Chairman or Vice Chairman to take all steps necessary to implement the Amendment.

Section 4. This Resolution shall take effect immediately.

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

Bruce Bohnsack	VOTING	Aye
Sid Richter	VOTING	Aye
Donald Kline	VOTING	Aye
Robert Galluscio	VOTING	Aye
James Mackerer	VOTING	Aye
Robert Stickles	VOTING	Aye

The resolution was thereupon declared duly adopted.

STATE OF NEW YORK)

) SS.:

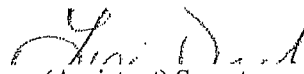
COUNTY OF COLUMBIA)

I, the undersigned (Assistant) Secretary of Columbia 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 November 5, 2014 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"), 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 and affixed the seal of the Agency this
— day of November, 2014.


(Assistant) Secretary

(SEAL)

SCHEDULE A
AMENDMENT

Section 1708 (A)(2) of the Policy currently has the Agency providing thirty (30) days prior written notice to the affected tax jurisdictions of a proposed deviation from the Agency's Policy.

The Amendment to Section 1708(A)(2) of the Policy is as follows:

Section 1708(A)(2) of the Policy is hereby amended to read as follows:

"(2) the Agency shall give written notice of the proposed deviation from the policy set forth herein to each affected taxing jurisdiction setting forth the terms and conditions of the deviation and the reasons therefor. Such notice to the affected tax jurisdictions shall be given to the chief executive officer of each affected tax jurisdiction the greater of (1) at least ten (10) days prior to the meeting of the Agency at which the Agency shall consider whether to approve such deviation, or (2) the notice period otherwise required by the provisions of Article 18-A of the General Municipal Law. Prior to taking any final action on a proposed deviation, the Agency shall review and respond to any correspondence received from any affected tax jurisdiction regarding the proposed deviation and allow any representative of an affected tax jurisdiction present at such meeting to address the Agency regarding the proposed deviation."

POLICY RESPECTING UNIFORM CRITERIA FOR THE
EVALUATION OF PROJECTS

SECTION 1. PURPOSE AND JUSTIFICATION. (A) The purpose of this Policy is to provide Uniform criteria to be utilized by Columbia County Industrial Development Agency (the "Agency") to evaluate and select projects from each category of eligible projects for which the Agency can provide financial assistance.

(B) The Agency was created pursuant to Section 895-1 of Title 2 of Article 18-A of the General Municipal Law and Title 1 of Article 18-A the General Municipal Law (collectively, the "Act") for the purpose of promoting employment opportunities for, and the general prosperity and economic welfare of, residents of Columbia County, New York (the "County") and the State of New York (the "State"). Under the Act, the Agency was created in order to advance the job opportunities, health, general prosperity, and economic welfare of the residents of the County and of the State.

(C) Chapter 563 of the Laws of 2015, effective June 15, 2016 (the "Reform Legislation"), requires each industrial development agency to adopt an assessment of all material information included in connection with an application for financial assistance, as necessary to afford a reasonable basis for the decision by an industrial development agency to provide financial assistance for a project.

SECTION 2. ELIGIBLE PROJECT CATEGORIES. The Agency may provide financial assistance to any "project", as defined in Section 854 of the Act.

SECTION 3. UNIFORM CRITERIA. (A) The following general uniform criteria will apply to all categories of eligible projects: (1) extent to which the project will create or retain jobs; (2) estimated value of tax exemptions to be provided; (3) amount of private sector investment by the proposed project; (4) Likelihood of project being accomplished in a timely fashion; (5) extent of new revenue provided to local taxing jurisdictions by the proposed project; (6) impact of the proposed project on local labor construction jobs; (7) effect of the proposed project upon the environment; (8) demonstrated public support for the proposed project; and (9) any additional public benefits as a result of the proposed project.

(B) The following additional criteria may apply to warehousing and research project: (1) wage rates (above median for County); (2) in County purchases (% of purchases from local vendors); (3) supports local businesses or clusters; (4) retention or flight risk; and (5) provides capacity to meet County demand or shortage.

(C) The following additional criteria may apply to commercial projects: (1) regional wealth creation (% of sales/customers outside of the County); (2) located in a highly distressed census tract; (3) alignment with local planning and development efforts; (4) promotes walkable community areas; (5) elimination or reduction in blight; (6) proximity/support of regional tourism attractions/facilities; (7) local or County official support; (8) building or site has historic designation; and (9) provides brownfield remediation.

SECTION 4. REMOVAL OR ABANDONMENT. If the proposed project involves the removal or abandonment of a facility or plant within the state, the Agency will notify the chief elected officer or officers of the municipality or municipalities in which the facility or plant was located.

SECTION 5. EFFECTIVE DATE. This policy shall be effective with respect to any project undertaken by the Agency after the date of approval of this Policy.

AGREEMENT
FOR ADMINISTRATIVE SERVICES

THIS AGREEMENT made as of the 1st day of January, ~~2023~~2024 by and between the COLUMBIA COUNTY INDUSTRIAL DEVELOPMENT AGENCY hereinafter (the "Agency") a public benefit corporation organized and existing under the laws of the State of New York, with a principal mailing address at One Hudson City Centre, Suite 301, Hudson, New York 12534; and the COLUMBIA ECONOMIC DEVELOPMENT CORPORATION hereinafter ("CEDC"), a local development corporation organized and existing under the laws of the State of New York with a principal place of business at One Hudson City Centre, Suite 301, Hudson, New York 12534.

WITNESSETH;

WHEREAS, the New York State Industrial Development Agency Act, being Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of the State of New York, as amended (hereinafter referred to as the "enabling Act") authorizes the creation of industrial development agencies for the benefit of the several counties, cities, villages and towns in the State of New York and empowers such agencies, among other things, to acquire, construct, reconstruct, lease, improve, maintain, equip and furnish real and personal property, whether or not now in existence of under construction, which shall be suitable for, among others, manufacturing, warehousing, research, commercial or industrial purposed, in order to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York and to improve their recreation opportunities, prosperity and standard of living; and

WHEREAS, pursuant to and in accordance with the provisions of Chapter 1066 of the 1969 laws of the State of New York, CEDC was duly incorporated as a local development corporation; and

WHEREAS, the Agency desires to avail itself of the administrative support services available from CEDC to further the aforementioned objectives, goals and purposes of the Agency,

NOW, THEREFORE, in consideration of the mutual covenants and promises herein contained, the Agency and CEDC agree as follows:

1. The Agency hereby retains the services of CEDC to perform administrative functions of the Agency, as of January 1, ~~2023-2024~~ through December 31, ~~2023~~2024. Such services shall include, but are not necessarily limited to, (a) the dissemination of applications for financing or other assistance from the Agency to appropriate interested parties, and the receipt and review of completed applications for such financing or other assistance; (b) the collection of payments to the Agency pursuant to any Payment in Lieu of Tax Agreement from any entity which have received financing or other assistance from the Agency and dissemination of such payments to the appropriate taxing entities in accordance with each Payment in Lieu Tax Agreement; (c) conducting regular meetings of the Agency and disseminating appropriate information to Agency members for consideration at such regular meeting, (d) coordination of projects which are being considered for financing or other assistance from the Agency in accordance with Agency policies and/or applicable law; (e) maintenance of all financial books and records of the Agency; (f) preparation and filing of reports filed with the Office of the State Comptroller of the State of New York; and (g) promoting and encouraging the Agency's purposes and providing public and media relations for the Agency.
2. For such service, the Agency shall pay to CEDC for the term of this Agreement the sum of ~~TWENTY-FOUR THOUSAND AND 00/100~~TWELVE THOUSAND FIVE HUNDRED AND 00/100 DOLLARS (\$24,500.00) DOLLARS ~~per year~~on a quarterly basis, commencing January 2, ~~2023~~2024, payable in installments in arrears on a quarterly basis as a base fee. In addition, if there are Agency projects closed during the term of the agreement that result in receipt by the Agency of a payment or payments of a project fee or fees during such term, CEDC shall receive additional compensation equivalent to 10% of such project fee(s), up to the maximum additional amount of \$10,000 per project, as additional compensation. ~~that result in receipt by the Agency of a payment or payments of a project~~

~~fee or fees greater than \$100,000.00, CEDC shall receive additional compensation equivalent to 20% of the project fee(s) exceeding \$100,000.00, up to the maximum additional amount of \$10,000.00 additional compensation.~~ The compensation paid by the Agency to CEDC for any renewal term of this Agreement shall be determined in accordance with the provisions of paragraph 10 hereof.

3. CEDC shall provide to the Agency, all administrative and secretarial support necessary to accomplish CEDC's obligations set forth herein, and shall make available space at its' office for regular or special meetings of the Agency, as the case may be.
4. The Agency and CEDC recognize that the provision of administrative and support services to the Agency as set forth herein is not the only function of activity of the CEDC. Accordingly, it is understood that CEDC will also engage in carrying out the business operations of CEDC.
5. CEDC shall use all reasonable efforts to ensure the Agency's compliance with any and all applicable federal, state, local or other governmental or municipal laws, rules, regulations and/or judicial administrative determinations from courts or administrative bodies having jurisdiction over the Agency or CEDC. CEDC shall not be responsible to pay the costs and/or fees of any consultants hired by the Agency, as authorized by the Agency Board.
6. The Agency and CEDC shall independently provide for each organization's necessary and appropriate insurances, and each shall be responsible for its own premiums for such insurance, including but not necessarily limited to, general liability insurance and errors and omissions insurance for their respective officers, directors and members, as the case may be.
7. In performing the services herein specified, CEDC is acting as an independent contractor. CEDC shall discharge its' responsibilities hereunder, through and under the direction of its' President and CEO, who shall be the Administrative Director of the Agency, and will

perform the services provided for herein in an orderly and professional manner. In performing its services provided for herein, CEDC is not authorized to act on behalf of the Agency in order to bind the Agency with respect to any agreements or dealings with any other party of entity, unless CEDC has been expressly authorized to do so, in writing by the Agency,

8. This agreement shall be terminable upon ninety (90) days written notice [JGI] from either party to the other, In the event of such termination, the fee paid by the Agency to CEDC shall be prorated from the commencement of this Agreement through the date of termination. If the Agency has prepaid compensation to CEDC prior to termination, CEDC shall refund to the Agency the amount so prepaid from the effective date of termination through the date of such payment.
9. This Agreement shall not be assignable by either party without prior written consent of the other,
10. (A) This Agreement shall be renewed automatically on annual basis on or about January 1st of each year hereafter. The compensation of CEDC to be paid by the Agency for any renewal term is to be established by agreement between CEDC and the Agency at least ten (10) days prior to such renewal.

(B) In the event said compensation is not established to the mutual satisfaction of both parties, this Agreement shall be terminable upon 90 days written notice from either party to the other, provided, however, that the parties shall continue to perform their respective obligations hereunder for said 90 day period after such notice of termination, with the Agency paying to CEDC a per diem sum prorated for such 90 day period and calculated based upon the compensation paid for the term of this Agreement immediately preceding such termination.

(C) Further, in the event said compensation for the ensuing term of this Agreement is not established to the mutual satisfaction of both parties, the terms and provisions of this Agreement shall continue until the earlier of (i) the parties mutually agree upon said compensation or (ii) one party gives notice of termination as provided in this paragraph.

(D) Prorated compensation as provided for herein shall be paid by the Agency to CEDC upon invoicing by CEDC to the Agency, evidencing the calculation of such prorated compensation,

11. All books and records maintained by CEDC on behalf of the Agency are the property of the Agency and shall be available for use and also review by the Agency at all times.
12. The Agency shall defend, indemnify and hold CEDC harmless from and against any and all claims, demands, causes of action, administrative actions, demands of governmental agencies, judgments, liabilities, costs and expenses, including, but not limited to reasonable attorney's fees, for damages or losses which are or may be asserted against CEDC on account of any acts or omissions of the Agency, its members, employees, agent or invitees. CEDC shall defend, indemnify and hold the Agency harmless from and against any and all claims, demands, causes of action, administrative actions, demands of governmental agencies, judgments, liabilities, costs and expenses, including, but not limited to reasonable attorney's fees, damages or losses which are or may be asserted against the Agency on account of any acts or omissions of CEDC, its members, employees, agents, or invitees.
13. This Agreement may be modified or amended only by written agreement executed by the parties.

[REMAINDER OF PAGE INTENTIONAL LEFT BLANK]

IN WITNESS WHEREOF the parties hereto have set their hands, the date and evidenced below.

[SEAL]

COLUMBIA COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

By: _____
Carmine Pierro, IDA Chair

[SEAL]

COLUMBIA ECONOMIC DEVELOPMENT
CORPORATION

By: _____
David Fingar, CEDC Chair

STATE OF NEW YORK)
) ss:
COUNTY OF COLUMBIA)

On this ____ day of _____ 20__, before me personally
came _____, to me personally known, who, being by me duly sworn, did
depone and say that (s)he resides in _____, New York, that (s)he is the(Vice)
Chairman of the Columbia County Industrial Development Agency the corporation described in, and
which executed, the within Instrument; that he knows the seal of said corporation; that the seal affixed
to said Instrument is such corporate seal; that it was so affixed by order of the Members of said
corporation; and that (s)he signed (her)his name thereto by like order.

Notary Public

STATE OF NEW YORK)
) ss:
COUNTY OF COLUMBIA)

On this ____ day of _____ 20__, before me personally came _____,
_____ to me personally known, who, being by me duly sworn, did depose and say
that he resides in, _____ New York, that (s)he is the Chair of the
Columbia Economic Development Corporation, the corporation described in, and which executed,
the within Instrument; that he knows the seal of said corporation; that the seal affixed to said
Instrument is such corporate seal; that it was so affixed by order of the Members of said corporation;
and that (s)he signed (her)his name thereto by like order.

Notary Public