

A regular meeting of the County of Chautauqua Industrial Development Agency (the "Agency") was convened in public session at the offices of the Agency located at Agency offices at 201 West Third Street, Jamestown, County of Chautauqua, New York, on January 24, 2017, at 10:00 A.M. local time.

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

PRESENT:

Michael Metzger	Chairman
Dennis Rak	Vice Chairman
Hans Auer	Treasurer
Kim Peterson	Secretary
David Bryant	Member
Cory Duckworth	Member
George Borrello	Member
Brad Walters	Member
Kelly Farrell DuBois	Member

ABSENT:

THE FOLLOWING ADDITIONAL PERSONS WERE PRESENT:

Kevin M. Sanvidge	Administrative Director/CEO
Richard E. Dixon	Chief Financial Officer
Gregory L. Peterson, Esq.	Counsel
Matthew R. Mazgaj, Esq.	Counsel
George W. Cregg, Jr., Esq.	Counsel

The attached resolution no. 01-24-17-05 was offered by Cory Duckworth seconded by Kim Peterson:

Resolution No. 01-24-17-05

RESOLUTION RATIFYING AND REAFFIRMING AGENCY ACTION FOR A CERTAIN PROJECT FOR BALL HILL WIND ENERGY, LLC

WHEREAS, the County of Chautauqua Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the Laws of 1969 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 71 of the 1972 Laws of New York, as amended, constituting Section 895-h 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 acquire, construct, reconstruct and install one or more "projects" (as defined in the Act), or to cause said projects to be acquired, constructed, reconstructed and installed and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, Ball Hill Wind Energy, LLC, a limited liability company existing under the laws of the State of New York (the "Applicant"), presented an application (the "Application"), which Application requested that the Agency consider undertaking a certain wind-powered electric generating facility project (the "Project") consisting of the following: (A) (1) the acquisition of an interest in approximately 8,312 acres of land located in the towns of Villenova and Hanover, County of Chautauqua, New York (collectively, the "Land"), (2) the acquisition, construction, installation, and equipping on the Land of: (i) approximately 13.4 miles of gravel access roads, (ii) approximately 15.4 miles of underground medium voltage electrical collection lines, (iii) approximately 5.7 miles of overhead 115 kV electric transmission line on approximately 70 foot monopole transmission poles, (iv) an electrical collection substation on a site up to 5 acres, (v) an electrical interconnection substation on a site up to 8.57 acres, (vi) an approximately 3.0 acre operations and maintenance building site, (vii) an approximately 3,750 square foot operations and maintenance building, and (viii) approximately 26 acres of construction laydown area on the Land (collectively, the "Improvements"), and a system of gravel access roads, parking, landscaping and related improvements to the Land (together with the Improvements, collectively, the "Facility"), and (3) the acquisition and installation therein and thereon of certain furniture, fixtures, machinery and equipment, including approximately twenty-nine (29) Vestas V126 wind energy turbines (the "Equipment"), all of the foregoing for use by the Applicant as a wind-powered electric generating facility (collectively, the "Project Facility"); (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions or partial exemptions from sales and use taxes, mortgage recording taxes and real property taxes (but not

including special assessments and ad valorem levies) (collectively, the "Financial Assistance"); and (C) the lease of the Project Facility by the Applicant to the Agency and the sublease of the Project Facility by the Agency to the Applicant; and

WHEREAS, the Administrative Director of the Agency (A) caused notice of public hearings of the Agency pursuant to Section 859-a of the Act (the "Public Hearing") to hear all persons interested in the Project and the Financial Assistance contemplated by the Agency with respect to the Project, to be mailed on September 28, 2016 to the chief executive officer of the County of Chautauqua, New York (the "County") and of each other affected tax jurisdiction within which the Project Facility is or is to be located; (B) caused notice of the Public Hearings to be published on September 28, 2016 in the *Observer*, a newspaper of general circulation available to residents of the Town of Hanover, the Town of Villenova and the County; (C) caused the Agency to conduct a Public Hearing for the Town of Hanover on October 11, at 10:00 a.m. local time, at the Town of Hanover Town Court Room, 68 Hanover Street, Silver Creek, New York 14136; (D) caused the Agency to conduct a Public Hearing for the Town of Villenova on October 11, at 1:00 p.m. at Hamlet United Methodist Church, 1119 Route 83, South Dayton, New York 14138; and (E) caused the Agency to prepare a report of the Public Hearings (the "Report") which fairly summarizes the views presented at the Public Hearings and distributed the Report to the members of the Agency; and

WHEREAS, the Administrative Director of the Agency caused notice of a meeting of the Agency (the "IDA Meeting") with respect to the proposed deviation from the Agency's uniform tax exemption policy and guidelines to be mailed on September 28, 2016 to the chief executive officer of each affected tax jurisdiction; the Board of Directors of the Agency conducted the IDA Meeting on October 25, 2016 and reviewed and responded to any comments or correspondence received from the affected tax jurisdictions at or before the IDA Meeting regarding the proposed deviation from the Agency's uniform tax exemption policy and approved the proposed deviation prior to the adoption of this Resolution; and the Board of Directors of the Agency passed a resolution at that IDA Meeting authorizing a deviation from the Agency's uniform tax exemption policy with respect to the Project; and

WHEREAS, the Agency lawfully performed, completed and complied with all of its obligations in connection with the Project pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the "SEQR Act"), and the regulations (the "Regulations") adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, "SEQRA"), including, but not limited to, issuing its Statement of Findings with Determination of Significance for the Project, and passing resolution regarding the same on December 9, 2016 (the "SEQR Act Resolution"); and

WHEREAS, on December 9, 2016, the Agency passed a Resolution Taking Official Action Toward and Approving the Straight Lease Documents for a Certain Project For Ball Hill Wind Energy, LLC (the "Final Resolution"); and

WHEREAS, on December 22, 2016, the Applicant (A) executed and delivered a certain Company Lease Agreement (the "Company Lease") between the Agency and the Applicant,

pursuant to which the Applicant granted to the Agency a leasehold interest in the Project Facility; (B) executed and delivered a certain Agency Lease Agreement (the "Agency Lease") between the Agency and the Applicant, pursuant to which the Agency granted to the Applicant a sub-leasehold interest in the Project Facility; (C) executed and delivered a certain Payment in Lieu of Taxes Agreement (the "PILOT Agreement") between the Applicant and the Agency; and (D) executed and delivered certain other certificates, documents, instruments and agreements related to the Project (together with the Company Lease, Agency Lease, and the PILOT Agreement, collectively, the "Transaction Documents") thereby closing the straight-lease transaction between the Applicant and the Agency; and

WHEREAS, on January 3, 2017, the Applicant submitted a supplemental application (the "Supplemental Application") to the Agency that amended the Project's description to be as follows: (A) (1) the acquisition of an interest in approximately 9,715 acres of land located in the towns of Villenova and Hanover, County of Chautauqua, New York (collectively, the "Land"), (2) the acquisition, construction, installation, and equipping on the Land of: (i) approximately 13.0 miles of gravel access roads, (ii) approximately 19.8 miles of underground medium voltage electrical collection lines, (iii) approximately 5.7 miles of overhead 115 kV electric transmission line on monopole transmission poles, (iv) an electrical collection substation on a site of up to 1.3 acres, (v) an electrical interconnection substation on a site of up to 4.0 acres, (vi) an approximately 5 acre operations and maintenance building site, (vii) an approximately 7,000 square foot operations and maintenance building, and (viii) approximately 20 acres of construction laydown area on the Land (collectively, the "Improvements"), and a system of gravel access roads, parking, landscaping and related improvements to the Land (together with the Improvements, collectively, the "Facility"), and (3) the acquisition and installation therein and thereon of certain furniture, fixtures, machinery and equipment, including approximately twenty-nine (29) wind energy turbines that will be up to 3.45 megawatts ("MW") each (the "Equipment"), all of the foregoing for use by the Applicant as a wind-powered electric generating facility (collectively, the "Project Facility"); (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions or partial exemptions from sales and use taxes, mortgage recording taxes and real property taxes (but not including special assessments and ad valorem levies) (collectively, the "Financial Assistance"); and (C) the lease of the Project Facility by the Applicant to the Agency and the sublease of the Project Facility by the Agency to the Applicant; and

WHEREAS, the project description in the Supplemental Application differs from the project description used by the Agency to describe the Project in the Agency's Notices of Public Hearings and Notices of Deviation, however, the project description in the Supplemental Application is substantially the same as the project description used to describe the Project with respect to the in the SEQR Act Resolution, Final Resolution and Transaction Documents; and

WHEREAS, Administrative Director of the Agency thereafter (A) caused notice of Public Hearings to be mailed on January 3, 2017 to the chief executive officer of the County of Chautauqua, New York (the "County") and of each other affected tax jurisdiction within which the Project Facility is or is to be located advising each of the change in the Project's description and inviting all persons interested in the Project and the Financial Assistance contemplated by

the Agency with respect to the Project and as described in the Supplemental Application to be heard; (B) caused notice of the second Public Hearings to be published on January 6, 2017 in the *Observer*, a newspaper of general circulation available to residents of the Town of Hanover, the Town of Villenova and the County; (C) conducted the second Public Hearing for the Town of Hanover on January 17, 2017 at 10:00 a.m. local time, at the Town of Hanover Town Court Room, 68 Hanover Street, Silver Creek, New York 14136; (D) conducted the second Public Hearing for the Town of Villenova on January 17, 2017 at 1:00 p.m. at Hamlet United Methodist Church, 1119 Route 83, South Dayton, New York 14138; and (E) prepared a report of the second Public Hearings (the "Second Report") which fairly summarizes the views presented at the Public Hearings and distributed the Second Report and written comments received from the public to the members of the Agency; and

WHEREAS, the Administrative Director of the Agency caused notice of a second IDA Meeting with respect to the deviation from the Agency's uniform tax exemption policy and guidelines and the revised project description to be mailed on January 3, 2017 to the chief executive officer of each affected tax jurisdiction; and the Agency conducted a second IDA Meeting on the date hereof and reviewed and responded to any comments or correspondence received from the affected tax jurisdictions at or before the second IDA Meeting regarding the proposed deviation from the Agency's uniform tax exemption policy and the Agency again approved the proposed deviation prior to the adoption of this Resolution; and

WHEREAS, the Agency desires now to ratify and reaffirm each of the prior resolutions related to the Project and also ratify and reaffirm each and every action taken by or on behalf of the Agency in connection therewith;

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

Section 1. The Agency has reviewed the Application, the Supplemental Application, the Report, the Second Report, the Transaction Documents and all other related documentation; has conducted an IDA Meeting regarding deviation and a Second IDA Meeting regarding the deviation; has fully complied with the SEQRA Act; and hereby, based upon the representations made by the Applicant to the Agency makes the following findings and determinations with respect to the Project:

(a) the Agency hereby ratifies and reaffirms each and every prior resolution passed by the Agency related to the Project and also ratifies and reaffirms the Transaction Documents and each and every other action taken by or on behalf of the Agency in connection therewith.

Section 2. The Chairman, the Vice Chairman, the Administrative Director and Chief Executive Officer of the Agency are hereby authorized and directed to distribute copies of this Resolution to the Applicant and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 3. This Resolution shall take effect immediately.

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

Michael Metzger	VOTING	AYE
Dennis Rak	VOTING	ABSTAIN
Hans Auer	VOTING	AYE
Kim Peterson	VOTING	AYE
David Bryant	VOTING	NO
Cory Duckworth	VOTING	AYE
George Borrello	VOTING	NO
Brad Walters	VOTING	AYE
Kelly Farrell DuBois	VOTING	AYE

The foregoing Resolution was thereupon declared duly adopted.


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

I, the undersigned (Assistant) Secretary of County of Chautauqua Industrial Development Agency (the "Agency"), do hereby certify that I have compared the foregoing extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on January 24, 2017 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 set forth 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 24th day of January 2017.


~~(Assistant)~~ Secretary

