

**DUNN TIRE LLC &
STEWART HANCOCK PARTNERS LLC**

**RESOLUTION AUTHORIZING A PUBLIC HEARING
IN CONNECTION WITH A REQUEST FOR ADDITIONAL FINANCIAL ASSISTANCE
(3101-21-12A)**

A regular meeting of the Onondaga County Industrial Development Agency convened in public session on June 14, 2022, at 8:00 a.m., local time, at 333 West Washington Street, Syracuse, New York.

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

PRESENT: Janice Herzog
Steve Morgan
Susan Stanczyk
Kevin Ryan
Fanny Villarreal

ABSENT: Patrick Hogan
Victor Ianno

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

The following resolution was offered by Fanny Villarreal, second by Susan Stanczyk, to wit:

**RESOLUTION AUTHORIZING A PUBLIC HEARING IN
CONNECTION WITH A REQUEST FROM DUNN TIRE LLC
& STEWART HANCOCK PARTNERS LLC FOR
ADDITIONAL FINANCIAL ASSISTANCE**

WHEREAS, Onondaga County Industrial Development Agency (the “Agency”) is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the “Enabling Act”) and Chapter 435 of the Laws of 1970 of the State of New York and Chapter 676 of the Laws of 1975, as amended, constituting Section 895 of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the “Act”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of manufacturing, warehousing, research, commercial and industrial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York (the “State”), to improve

their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more “projects” (as defined in the Act), or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, by resolution adopted by the Agency on or about December 14, 2021 (the “Approving Resolution”), the Agency agreed to undertake a project (the “Project”) on behalf of Dunn Tire LLC (the “Operating Company”) and Stewart Hancock Partners LLC (the “Real Estate Holding Company”) consisting of the following: (A)(1) the acquisition of an interest in an approximately 7.391-acre parcel of land located on Stewart Drive (tax map no. 057.-02-29.4) in the Town of Cicero, Onondaga County, New York (the “Land”); (2) the construction on the Land of an approximately 62,500 square foot building (the “Facility”); and (3) the acquisition and installation in and around the Facility and/or for use in connection with the Project of various fixtures, machinery, equipment and other tangible personal property (collectively, the “Facility Equipment”) (the Land, the Facility and the Facility Equipment being collectively referred to as the “Company Project Facility”), such Company Project Facility to be leased and subleased by the Agency to the Real Estate Holding Company and further subleased by the Real Estate Holding Company to the Operating Company; and (4) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property (collectively the “Equipment,” and together with the Company Project Facility, the “Project Facility”), which Project Facility will be used by the Operating Company as a distribution, warehouse, and office space supporting the storage and distribution of tires; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (subject to certain statutory limitations) (the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Company Project Facility to the Real Estate Holding Company or such other person as may be designated by the Real Estate Holding Company and agreed upon by the Agency and the lease (with an obligation to purchase) or sale of the Equipment to the Operating Company or such other person as may be designated by the Operating Company and agreed upon by the Agency; and

WHEREAS, in connection with the Project and the granting of the Financial Assistance, the Agency, the Operating Company and the Real Estate Holding Company entered into the following documents: (A) a certain lease to agency dated as of February 1, 2022 (the “Underlying Lease”) by and between the Real Estate Holding Company, as landlord, and the Agency, as tenant, pursuant to which the Real Estate Holding Company leased to the Agency the Land and all improvements then or thereafter located on the Land (collectively, the “Premises”) for a lease term ending on the date of the termination of the Payment in Lieu of Tax Agreement (as defined herein), (B) a certain lease to the Real Estate Holding Company dated as of February 1, 2022 (the “Lease Agreement”) by and between the Agency, as landlord, and the Real Estate Holding Company, as tenant, pursuant to which the Agency leased back to the Real Estate Holding Company the Premises for a lease term ending on the date of the termination of the Payment in Lieu of Tax Agreement (as defined herein) (C) a bill of

sale dated as of February 1, 2022 (the “Bill of Sale to Agency”), which conveyed to the Agency all right, title and interest of the Real Estate Holding Company in the Facility Equipment, (D) a bill of sale dated as of February 1, 2022 (the “Equipment Bill of Sale to Agency”), which conveyed to the Agency all right, title and interest of the Operating Company in the Equipment, (E) an equipment lease agreement dated as of February 1, 2022 (the “Equipment Lease Agreement”) pursuant to which the Agency leased the Equipment to the Operating Company, (F) a project agreement dated as of February 1, 2022 (the “Project Agreement”), which set forth the terms and conditions under which the Financial Assistance would be provided to the Real Estate Holding Company and the Operating Company, (G) the form entitled “IDA Appointment of Project Operator or Agent for Sales Tax Purposes” (the form required to be filed pursuant to Section 874(9) of the Act) (the “Thirty-Day Sales Tax Report”) for each of the Real Estate Holding Company and the Operating Company, filed with the New York State Department of Taxation and Finance by the Agency, (H) a payment in lieu of tax agreement dated as of February 1, 2022 (the “Payment in Lieu of Tax Agreement”), pursuant to which the Real Estate Holding Company and the Operating Company agreed to pay certain payments in lieu of taxes with respect to the Project Facility, and (I) a copy of a New York State Board of Real Property Services Form 412-a (the form required to be filed by the Agency in order for the Agency to obtain a real property tax exemption with respect to the Project Facility under Section 412-a of the Real Property Tax Law) (the “Real Property Tax Exemption Form”) relating to the Project Facility and the Payment in Lieu of Tax Agreement, filed with the assessor and mailed to the chief executive officer of each “affected tax jurisdiction” (within the meaning of such quoted term in Section 854(16) of the Act); and

WHEREAS, in connection with the Project, the Agency granted Financial Assistance in the form of an exemption from sales and use taxes in the maximum amount of not to exceed \$250,000 (the “Original Maximum Sales Tax Exemption Amount”); and

WHEREAS, pursuant to correspondence dated June 7, 2022 (the “Request”), the Real Estate Holding Company and the Operating Company have requested that the Agency increase the Original Maximum Sales Tax Exemption Amount by \$250,000 to a maximum amount of not to exceed \$500,000 (the “Additional Financial Assistance”) due to the unexpected cost to clean-up and prepare the Land, several change orders that were not anticipated and the increased cost of materials that in some cases have increased by thirty (30%) or more; and

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

WHEREAS, the Additional Financial Assistance will cause the Agency to provide additional financial assistance in excess of \$100,000, therefore pursuant to Section 859-a of the Act, prior to the Agency approving the Additional Financial Assistance, the Agency, among other things, must hold a public hearing with respect the Project and the Request.

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

Section 1. The Agency hereby authorizes the Executive Director, prior to the granting of the Additional Financial Assistance, after consultation with counsel to the Agency, (A) to establish a time, date and place for a public hearing of the Agency to hear all persons interested in the location and nature of the Project Facility and the Additional Financial Assistance being contemplated by the Agency, said public hearing to be held in the city, town or village where the Project Facility is located; (B) to cause notice of such public hearing to be given to the public by publishing a notice of such hearing in a newspaper of general circulation available to residents of the governmental units where the Project Facility is or is to be located, such notice and publication to comply with the requirements of Section 859-a of the Act; (C) to cause notice of said public hearing to be given to the chief executive officer of the county and each city, town, village and school district in which the Project Facility is or is to be located; (D) to conduct such public hearing; and (E) to cause a report of said public hearing fairly summarizing the views presented at a public hearing to be promptly prepared and cause copies of said report to be made available to the members of the Agency.

Section 2. The Chairman, Vice Chairman and/or Executive Director of the Agency are hereby authorized and directed to distribute copies of this Resolution to the Operating Company and the Real Estate Holding Company and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 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:

	<u>AYE</u>	<u>NAY</u>	<u>ABSENT</u>
Patrick Hogan			X
Janice Herzog	X		
Victor Ianno			X
Steve Morgan	X		
Susan Stanczyk	X		
Kevin Ryan	X		
Fanny Villarreal	X		

The Resolution was thereupon declared duly adopted.

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

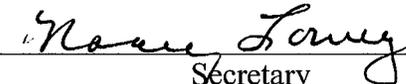
I, the undersigned Secretary of the Onondaga County Industrial Development Agency, DO HEREBY CERTIFY that I have compared the foregoing extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on June 14, 2022, with the original thereof on file in my office, and that the same is a true and correct copy of such proceedings of the Agency and of such Resolution set forth therein and of the whole of said original so far as the same relates to the subject matter therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting, (B) said meeting was in all respects duly held, (C) pursuant to Article 7 of the Public Officers Law (the "Open Meetings Law") said meeting was open to the general public and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law, and (D) there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed, or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand this 14 day of June, 2022.

(SEAL)


Secretary