

**PILOT DEVIATION NOTICE RESOLUTION  
CHPE LLC PROJECT**

A regular meeting of Albany County Industrial Development Agency (the "Agency") was convened in public session in Room 740 at 112 State Street in the City of Albany, Albany County, New York on July 14, 2021 at 5:00 o'clock p.m., local time.

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

**PRESENT:**

Honorable William M. Clay	Chairman
Michael Paparian	Treasurer
Marlene McTigue	Secretary
Travon T. Jackson	Member

**ABSENT:**

Anton Dreslin	Member
Paul M. Engel, Jr.	Member
Douglas Roether	Member

**AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:**

William Murphy	Chief Executive Officer
Allen F. Maikels	Chief Financial Officer
Leslie Butcher	Executive Assistant
Walter J. Forman, Esq.	Agency Counsel
A. Joseph Scott, III, Esq.	Special Counsel

The following resolution was offered by Michael Paparian, seconded by Marlene McTigue, to wit:

Resolution No. 0721-\_\_\_\_

RESOLUTION AUTHORIZING THE CHAIRMAN TO SEND A LETTER TO THE CHIEF EXECUTIVE OFFICERS OF THE AFFECTED TAXING ENTITIES INFORMING THEM OF A PROPOSED DEVIATION FROM THE AGENCY'S UNIFORM TAX EXEMPTION POLICY IN CONNECTION WITH THE PROPOSED CHPE LLC PROJECT.

WHEREAS, Albany 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 178 of the 1975 Laws of New York, as amended, constituting Section 903-b 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, 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, CHPE LLC, a New York State limited liability company (the “Company”), has submitted an application (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, requesting that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest or interests in various parcels of land spanning across 24.2 miles of land located in the Towns of Guilderland, New Scotland, Bethlehem, and Coeymans, and the Villages of Voorheesville and Ravena, Albany County, New York (collectively, the “Land”), (2) the acquisition and installation of two five-inch diameter high-voltage direct current (“HVDC”) transmission cables and the acquisition and installation of inverters and related equipment for a potential converter station to be located in the Town of New Scotland (the “New Scotland Converter Station”) and associated substation and interconnection equipment (collectively, the “Equipment”), and (3) the construction, installation and equipping on or under the Land of a fully-buried, up to 1,250-megawatt (“MW”) HVDC electric transmission line and related infrastructure and the construction, installation and equipping on the Land of the New Scotland Converter Station and associated substation and interconnection facilities (collectively, the “Improvements”) (the Land, the Equipment and the Improvements hereinafter collectively referred to as the “Project Facility”), all of the foregoing to be used and operated by the Company as a portion of an electric power transmission line from the U.S.-Canada border to New York City; (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 (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, by resolution adopted by the members of the Agency on July 14, 2021 (the “Public Hearing Resolution”), the Agency authorized a public hearing to be held pursuant to Section 859-a of the Act with respect to the Project; and

WHEREAS, in connection with the Application, the Company has made a request to the Agency (the “PILOT Request”) that the Company deviate from the Agency’s uniform tax exemption policy (the “Policy”); and

WHEREAS, the Policy provides that, for a facility similar to the Project Facility, payments in lieu of taxes will normally be determined as follows: the Company would have the benefit of a 50% abatement in real property taxes on the Facility and any portion of the Equipment assessable as real property pursuant to the New York Real Property Tax Law (collectively with the Facility, the “Improvements”) in year one of the payment in lieu of tax agreement with a five percent per year increase over the term of the ten year payment in lieu of tax agreement; and

WHEREAS, the Policy further provides that the Agency is to obtain the consent of the County and each city, town, village and school district in which the Project is located (collectively, the “Affected Tax Jurisdictions”) with respect to the terms of any proposed payment in lieu of tax agreement prior to entering into such agreement; and

WHEREAS, pursuant to Section 1808 of the Policy, prior to taking final action on such PILOT Request for a deviation from the Agency's Policy, the Agency must give the chief executive officers of each of the Affected Tax Jurisdictions no fewer than thirty (30) days prior written notice of the proposed deviation from the Agency's Policy and the reasons therefore; and

WHEREAS, pursuant to Section 856(15) of the Act, unless otherwise agreed by the Affected Tax Jurisdictions, payments in lieu of taxes must be allocated among the Affected Tax Jurisdictions in proportion to the amount of real property tax and other taxes which would have been received by each Affected Tax Jurisdiction had the Project Facility not been tax exempt due to the status of the Agency;

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

Section 1. Having considered both the Application and the PILOT Request, the Agency hereby authorizes the Chairman of the Agency, once the particular terms of the PILOT Request have been received by the counsel to the Agency, to send a written notice, in form and substance satisfactory to Agency Counsel and Agency Special Counsel, to the chief executive officers of each of the Affected Tax Jurisdictions informing them that the Agency is considering a proposed deviation from its Policy with respect to the Project and the reasons therefore, and soliciting any comments that such Affected Tax Jurisdictions may have with respect to said proposed deviation.

Section 2. 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:

Hon. William M. Clay	VOTING	<u>Yes</u>
Michael Paparian	VOTING	<u>Yes</u>
Marlene McTigue	VOTING	<u>Yes</u>
Anton Dreslin	VOTING	<u>Absent</u>
Paul M. Engel, Jr.	VOTING	<u>Absent</u>
Travon T. Jackson	VOTING	<u>Yes</u>
Douglas Roether	VOTING	<u>Absent</u>

The foregoing Resolution was thereupon declared duly adopted.

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

I, the undersigned (Assistant) Secretary of Albany 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 July 14, 2021 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") except as modified by Executive Order 202.1, as supplemented, 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.

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 14<sup>th</sup> day of July, 2021.

  
\_\_\_\_\_  
(Assistant) Secretary

(SEAL)