

# **Preliminary Resolution**

**PRELIMINARY RESOLUTION**

*(Lockport Schools Federal Credit Union Project)*

A regular meeting of Niagara County Industrial Development Agency (the "Agency") was convened in public session at the offices of the Agency located at 6311 Inducon Corporate Drive, Suite One, Sanborn, New York on the 8<sup>th</sup> day of June, 2022 at 9:00 a.m., local time.

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

PRESENT:

Mark A. Onesi	Chairman
Jerald I Wolfgang	First Vice Chairman
Kevin McCabe	Second Vice Chairman
William L. Ross	Secretary
Jason Krempa	Member
Clifford Scott	Member
Robert B. Cliffe	Member

ABSENT:

Scott Brydges	Assistant Secretary
Maria V. Lopez	Member

THE FOLLOWING PERSONS WERE ALSO PRESENT:

Susan C. Langdon	Executive Director
Andrea Klyczek	Assistant Director
Michael Dudley	Finance Manager
Caroline Caruso	Accounting Associate
Susan Barone	Project Manager
Julie Lamoreaux	Administrative Assistant/Property Associate
Mark Gabriele, Esq.	Agency Counsel

The following resolution was offered by Mr. Cliffe, seconded by Mr. Krempa, to wit:

**Resolution No. 9.2.1**

RESOLUTION OF THE NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY (i) ACCEPTING THE APPLICATION OF LOCKPORT SCHOOLS FEDERAL CREDIT UNION WITH RESPECT TO A CERTAIN PROJECT (AS MORE FULLY DEFINED BELOW) TO BE UNDERTAKEN BY THE AGENCY FOR THE BENEFIT OF LOCKPORT SCHOOLS FEDERAL CREDIT UNION OR AN ENTITY FORMED OR TO BE FORMED; (ii) AUTHORIZING A PUBLIC HEARING WITH RESPECT TO THE PROJECT; (iii) AUTHORIZING THE EXECUTIVE DIRECTOR OF THE AGENCY TO TAKE CERTAIN ACTIONS UNDER ARTICLE 8 OF THE ENVIRONMENTAL CONSERVATION LAW IN CONNECTION WITH THE PROJECT; (iv) DESCRIBING THE FORMS OF FINANCIAL ASSISTANCE BEING CONTEMPLATED BY THE AGENCY.

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 569 of the Laws of 1972 of the State of New York (the "Act"), **NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY** (the "Agency") was created with the authority and power to own, lease and sell property and to issue its bonds as authorized by the Act; and

WHEREAS, **LOCKPORT SCHOOLS FEDERAL CREDIT UNION** and/or an individual(s) or affiliate, subsidiary, or entity or entities formed or to be formed on its behalf (the "Company"), has submitted an application to the Agency, a copy of which is on file at the office of the Agency, requesting that the Agency consider undertaking a project (the "Project") consisting of: (A) the acquisition or retention by the Agency of fee title to, or a leasehold interest in, a parcel of land located at 360 South Transit Street in the City of Lockport, Niagara County, New York (the "Land"); (B) the demolition of the existing building located on the Land, with the construction of a new 2,856 square foot building ("Improvements"); and (C) the acquisition and installation in and around the Improvements of certain items of machinery, equipment and other tangible personal property (the "Equipment" and collectively with the Land and the Improvements, the "Facility").

WHEREAS, pursuant to Article 18-A of the General Municipal Law the Agency desires to adopt a resolution describing the Project and the financial assistance that the Agency is contemplating with respect to the Project; and

WHEREAS, it is contemplated that the Agency will hold public hearings and (i) negotiate a lease agreement (the "Lease Agreement"), leaseback agreement (the "Leaseback Agreement"), payment-in-lieu-of-tax agreement (the "PILOT Agreement") and payment-in-lieu of tax mortgage (the "PILOT Mortgage") with the Company, (ii) take or retain fee title to, leasehold or other interest in the Land, Improvements, and Equipment constituting the Facility (once the Lease Agreement, Leaseback Agreement, PILOT Agreement and PILOT Mortgage have been negotiated), and (iii) provide financial assistance to the Company in the form of a mortgage recording tax exemption with respect to a certain payment-in-lieu-of-tax mortgage; and

WHEREAS, the Agency has scheduled public hearings and provided notice of the public hearings pursuant to Section 850-a of the Act; and

WHEREAS, the Agency must determine whether the undertaking of the Project and the providing of the contemplated financial assistance with respect to the same will be in conformance with Article 8 of the Environmental Conservation Law and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (said law and regulations hereinafter collectively referred to as "SEQR").

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE AGENCY AS FOLLOWS:

Section 1. The Company has presented an application in a form acceptable to the Agency. Based upon the representations made by the Company to the Agency in the Company's application, the Agency hereby finds and determines that:

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

(B) The Agency has the authority to take the actions contemplated herein under the Act; and

(C) The action to be taken by the Agency will induce the Company to develop the Project, thereby increasing employment opportunities in Niagara County and otherwise furthering the purposes of the Agency as set forth in the Act; and

(D) The Project will not result in the removal of a civic, commercial, industrial, or manufacturing plant of the Company or any other proposed occupant of the Project from one area of the State of New York (the "State") to another area of the State or result in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Project located within the State; and the Agency hereby finds that, based on the Company's application, to the extent occupants are relocating from one plant or facility to another, the Project is reasonably necessary to discourage the Project occupants from removing such other plant or facility to a location outside the State and/or is reasonably necessary to preserve the competitive position of the Project occupants in their respective industries.

Section 2. For purposes of investigating the advisability of undertaking a coordinated review under SEQR with respect to the Project and determining whether the Project may have a "significant effect on the environment" (as such term is defined under SEQR), the Executive Director of the Agency is hereby authorized and directed to take the following actions:

(A) To obtain an Environmental Assessment Form (the "EAF") with respect to the Project from the Company; and

(B) To review the EAF with counsel to the Agency and prepare proceedings to allow the Agency to comply with SEQQR; and

(C) To contact all other "involved agencies" with respect to the Project for the purposes of ascertaining whether they are interested in undertaking a coordinated review with respect to the Project; and

(D) Upon completion of the foregoing, to report to the Agency at its next meeting on the status of the environmental review process with respect to the Project.

Section 3. The Chairperson, Vice Chairperson and/or the Executive Director of the Agency are hereby authorized, on behalf of the Agency, to hold public hearings in compliance with the Act and negotiate (but not execute or deliver) the terms of (A) a Lease Agreement, whereby the Company leases the Facility to the Agency, (B) a related Leaseback Agreement, conveying the Facility back to the Company, (C) a PILOT Agreement, whereby the Company agrees to make certain payments-in-lieu-of real property taxes, (D) a PILOT Mortgage, securing the payment of the amounts due under the PILOT Agreement and (E) related documents; *provided*, (i) the rental payments under the Leaseback Agreement include payments of all costs incurred by the Agency arising out of or related to the Project and indemnification of the Agency by the Company for actions taken by the Company and/or claims arising out of or related to the Project; and (ii) the terms of the PILOT Agreement are consistent with the Agency's Uniform Tax Exemption Policy or the procedures for deviation have been complied with.

Section 4. The Agency is hereby authorized to conduct public hearings in compliance with the Act.

Section 5. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required and to execute and deliver all such certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolutions and to cause compliance by the Agency with all of the terms, covenants and provisions of the documents executed for and on behalf of the Agency.

Section 6. These Resolutions shall take effect immediately upon adoption.

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

	<u>Yea</u>	<u>Nay</u>	<u>Abstain</u>	<u>Absent</u>
Mark Onesi	[ x ]	[ ]	[ ]	[ ]
Jerald I. Wolfgang	[ x ]	[ ]	[ ]	[ ]
Kevin McCabe	[ x ]	[ ]	[ ]	[ ]
William L. Ross	[ x ]	[ ]	[ ]	[ ]
Scott Brydges	[ ]	[ ]	[ ]	[ x ]
Robert B. Cliffe	[ x ]	[ ]	[ ]	[ ]
Clifford Scott	[ x ]	[ ]	[ ]	[ ]
Jason Krempa	[ x ]	[ ]	[ ]	[ ]
Maria V. Lopez	[ ]	[ ]	[ ]	[ x ]

The Resolutions were thereupon duly adopted.

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

I, the undersigned Secretary of Niagara County 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 June 8, 2022 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.

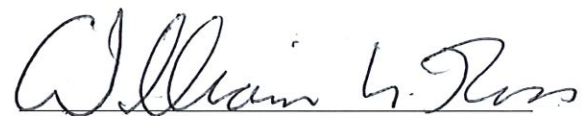
I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the "Open Meetings Law"), said meeting was open to the general public, and due notice of the time and place of said 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 8<sup>th</sup> day of June, 2022.



[SEAL]

  
William L. Ross, Secretary

# **Final Resolution**



## FINAL RESOLUTION

*(Lockport Schools Federal Credit Union Project)*

A regular meeting of Niagara County Industrial Development Agency (the "Agency") was convened in public session at the offices of the Agency located at 6311 Inducon Corporate Drive, Suite One, Sanborn, New York on the 13th day of July, 2022 at 9:00 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:

Mark A. Onesi	Chairman
Jerald I. Wolfgang	First Vice Chairman
Kevin McCabe	Second Vice Chairman
William L. Ross	Secretary
Scott Brydges	Assistant Secretary
Jason Krempe	Member
Clifford Scott	Member
Robert B. Cliffe	Member
Maria V. Lopez	Member

ABSENT:

THE FOLLOWING PERSONS WERE ALSO PRESENT:

Susan C. Langdon	Executive Director
Andrea Klyczek	Assistant Director
Michael Dudley	Manager of Finance
Caroline Caruso	Accounting Associate
Susan Barone	Project Manager
Julie Lamoreaux	Administrative Assistant
Mark Gabriele, Esq.	Agency Counsel

The following resolution was offered by Mr. Scott, seconded by Mr. Krempe, to wit:

Resolution No. 7.2.1

RESOLUTION OF THE NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY (i) UNDERTAKE A CERTAIN PROJECT FOR THE BENEFIT OF LOCKPORT SCHOOLS FEDERAL CREDIT UNION AND/OR AN INDIVIDUAL(S) OR AFFILIATE, SUBSIDIARY, OR ENTITY FORMED OR TO BE FORMED ON ITS BEHALF (AS MORE FULLY DEFINED BELOW); (ii) DETERMINE THAT THE PROJECT WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT; (iii) NEGOTIATE AND EXECUTE A LEASE AGREEMENT, LEASEBACK AGREEMENT, PAYMENT-IN-LIEU-OF-TAX AGREEMENT, PILOT MORTGAGE AND RELATED DOCUMENTS: AND (iv) PROVIDE FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF (A) A SALES TAX EXEMPTION FOR PURCHASES AND RENTALS RELATED TO THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE PROJECT, (B) A MORTGAGE RECORDING TAX EXEMPTION FOR THE FINANCING RELATED TO THE PROJECT; AND (C) A MORTGAGE RECORDING TAX EXEMPTION FOR THE MORTGAGE RELATED TO THE PILOT AGREEMENT.

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 569 of the Laws of 1972 of the State of New York (the "Act"), **NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY** (the "Agency") was created with the authority and power to own, lease and sell property and to issue its bonds as authorized by the Act; and

WHEREAS, **LOCKPORT SCHOOLS FEDERAL CREDIT UNION** and/or an individual(s) or affiliate, subsidiary, or entity or entities formed or to be formed on its behalf (the "Company"), has submitted an application to the Agency, a copy of which is on file at the office of the Agency, requesting that the Agency consider undertaking a project (the "Project") consisting of: (A) the acquisition or retention by the Agency of fee title to, or a leasehold interest in, a parcel of land located at 360 South Transit Street in the City of Lockport, Niagara County, New York (the "Land"); (B) the demolition of the existing building located on the Land, with the construction of a new 2,856 square foot building ("Improvements"); and (C) the acquisition and installation in and around the Improvements of certain items of machinery, equipment and other tangible personal property (the "Equipment" and collectively with the Land and the Improvements, the "Facility").

WHEREAS, pursuant to Article 18-A of the General Municipal Law the Agency desires to adopt a resolution describing the Project and the financial assistance that the Agency is contemplating with respect to the Project; and

WHEREAS, on June 8, 2022, the Agency adopted a resolution (the "Preliminary Resolution") accepting the Application and directing that a public hearing be held; and

WHEREAS, it was contemplated that the Agency would hold a public hearing and (i) negotiate an agent agreement (the "Agent Agreement") whereby the Agency will designate the Company as its agent for the purpose of acquiring, constructing and equipping the Project, (ii) negotiate a lease agreement (the "Lease Agreement"), leaseback agreement (the "Leaseback Agreement"), payment-in-lieu-of-tax agreement (the "PILOT Agreement") and payment-in-lieu of tax mortgage (the "PILOT Mortgage") with the Company, (iii) take or retain fee title to, leasehold or other interest in the Land, Improvements, Equipment and personal property constituting the Facility (once the Lease Agreement, Leaseback Agreement, PILOT Agreement and PILOT Mortgage have been negotiated), and (iv) provide financial assistance to the Company in the form of sales and use tax exemptions and a mortgage recording tax exemption for financing related to the Project, consistent with the policies of the Agency, a partial real property tax abatement and a mortgage recording tax exemption with respect to a certain payment-in-lieu-of-tax mortgage; and

WHEREAS, on the 29<sup>th</sup> day of June, 2022, at 2:00 p.m. at the Lockport City Hall, Lockport Municipal Building, One Locks Plaza, Lockport, New York 14094, the Agency held a public hearing with respect to the Project and the proposed financial assistance being contemplated by the Agency (the "Public Hearing") whereat interested parties were provided a reasonable opportunity, both orally and in writing, to present their views. A copy of the Minutes of the Public Hearing along with the Notice of Public Hearing published and forwarded to the affected taxing jurisdictions prior to said Public Hearing are attached hereto as Exhibit A;

WHEREAS, the Company has submitted to the Agency a Short Environmental Assessment Form (the "EAF") in compliance with Article 8 of the Environmental Conservation Law and Regulations adopted pursuant thereto by the Department of Environmental Conservation of the State (collectively, "SEQR") with respect to the Project, a copy of which is attached hereto as Exhibit B.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE AGENCY AS FOLLOWS:

Section 1. The Company has presented an application in a form acceptable to the Agency. Based upon the representations made by the Company to the Agency in the Company's application, the Agency hereby finds and determines that:

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

(B) The Agency has the authority to take the actions contemplated herein under the Act; and

(C) The action to be taken by the Agency will serve the public purposes of the Act and that the Project will preserve permanent, private sector jobs, or increase the overall number of permanent, private sector jobs in the State.

(D) The Project will not result in the removal of a civic, commercial, industrial, or manufacturing plant of the Company or any other proposed occupant of the Project from one area of the State of New York (the "State") to another area of the State or result in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Project located within the State; and the Agency hereby finds that, based on the Company's application, to the extent occupants are relocating from one plant or facility to another, the Project is reasonably necessary to discourage the Project occupants from removing such other plant or facility to a location outside the State and/or is reasonably necessary to preserve the competitive position of the Project occupants in their respective industries.

(E) The Project involves an "unlisted action" (as said quoted term is defined under SEQR). The review is "uncoordinated" (as said quoted term is defined under SEQR). Based upon the review by the Agency of the Short Environmental Assessment Form (the "EAF") and related documents delivered by the Company to the Agency and other representations made by the Company to the Agency in connection with the Project, the Agency hereby finds that (i) the Project will result in no major impacts and, therefore, is one which may not cause significant damage to the environment; (ii) the Project will not have a "significant effect on the environment" (as said quoted term is defined under SEQR) ; and (iii) no "environmental impact statement" (as said quoted term is defined under SEQR) need be prepared for this action. This determination constitutes a "negative declaration" (as said quoted term is defined under SEQR) for purposed of SEQR. The Agency's findings are incorporated in Part II of the EAF.

Section 2. Subject to the Company executing an Agent Agreement by and between the Agency and the Company and the delivery to the Agency of a binder, certificate or other evidence of liability insurance policy for the Project satisfactory to the Agency, the Agency hereby authorizes the Company to proceed with the acquisition, construction and equipping of the Project and hereby appoints the Company as the true and lawful agent of the Agency; (i) to acquire, construct and equip the Project; (ii) to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agent for the Agency with the authority to delegate such agency, in whole or in part, to agents, subagents, contractors, and subcontractors of such agents and subagents and to such other parties as the company chooses; and (iii) in general, to do all things which may be requisite or proper for completing the Project, all with the same powers and the same validity that the Agency could do if acting in its own behalf; provided, however, the Agent Agreement shall expire on the date as indicated in the Agent Agreement (*unless extended for good cause by the Executive Director of the Agency*).

Section 3. Pursuant to Section 875(3) of the New York General Municipal Law, the Agency may recover or recapture from the company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, any sales and use tax exemption benefits taken or purported to be taken by the company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, if it is determined that: (i) the Company, its agents, constants, subcontractors, or any other party

authorized to make purchases for the benefit of the Project, is not entitled to the sales and use tax exemption benefits; (ii) the sales and use tax exemption benefits are in excess of the amounts authorized to be taken by the purchases for the benefit of the Project; (iii) the sales and use tax exemption benefits are for property or services not authorized by the Agency as part of the Project; or (iv) the consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, fails to comply with a material term or condition to use property or services in the manner approved by the Agency in connection with the Project. As a condition precedent of receiving sales and use tax exemption benefits, the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, must (i) cooperate with the Agency in its efforts to recover or recapture any sales and use tax exemption benefits, and (ii) promptly pay over any such amounts to the Agency that the Agency demands.

Section 4. The Agency hereby confers on the Company in connection with the Project certain benefits, exemptions and other financial assistance consisting of: (a) an exemption benefit from all New York State and local sales and use tax exemption benefits for purchases and rentals related to the Project with respect to the qualifying personal property included in or incorporated into the Facility or used in the acquisition, construction or equipping of the Facility, (b) an exemption benefit from mortgage recording tax, and (c) a partial abatement from real property taxes benefit conferred through a certain Payment in Lieu of Tax Agreement. The Agency will provide the Company with Project incentives totaling approximately \$127,566.00, comprised of real property tax exemption benefits. To effectuate this Resolution, the Chairman, Vice Chairman and/or the Executive Director of the Agency are hereby authorized, on behalf of the Agency, to negotiate and execute (A) the Lease Agreement whereby the Company leases the Project to the Agency, (B) the related Leaseback Agreement conveying the Project back to the Company, and (C) the PILOT Agreement with real property tax exemption benefits; provided (i) the rental payments under the Leaseback Agreement include payments of all costs incurred by the Agency arising out of or related to the Project and indemnification of the Agency by the Company for actions taken by the Company and/or claims arising out of or related to the Project; and (ii) the terms of the PILOT Agreement are consistent with the Agency's Uniform Tax Exemption Policy or the procedures for deviation have been complied with.

Section 5. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required and to execute and deliver all such certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolutions and to cause compliance by the Agency with all of the terms, covenants and provisions of the documents executed for and on behalf of the Agency.

Section 6. These Resolutions shall take effect immediately upon adoption.

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

	<u>Yea</u>	<u>Nay</u>	<u>Abstain</u>	<u>Absent</u>
Mark Onesi	[ x ]	[ ]	[ ]	[ ]
Jerald I. Wolfgang	[ x ]	[ ]	[ ]	[ ]
Kevin McCabe	[ x ]	[ ]	[ ]	[ ]
William L. Ross	[ x ]	[ ]	[ ]	[ ]
Scott Brydges	[ x ]	[ ]	[ ]	[ ]
Robert B. Cliff	[ x ]	[ ]	[ ]	[ ]
Clifford Scott	[ x ]	[ ]	[ ]	[ ]
Jason Krempa	[ x ]	[ ]	[ ]	[ ]
Maria V. Lopez	[ x ]	[ ]	[ ]	[ ]

The Resolutions were thereupon duly adopted.

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

I, the undersigned Secretary of Niagara County 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 July 13, 2022 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 13<sup>th</sup> day of July, 2022.

[SEAL]

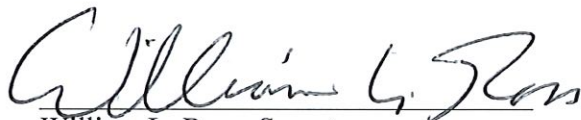
  
William L. Ross, Secretary

EXHIBIT A

**NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
NOTICE OF PUBLIC HEARING**

NOTICE IS HEREBY GIVEN that a public hearing pursuant to Article 18-A of the New York General Municipal Law will be held by the Niagara County Industrial Development Agency (the "Agency") on the 29<sup>th</sup> day of June, 2022, at 2:00 p.m., local time, at the Lockport City Hall, Lockport Municipal Building, One Locks Plaza, Lockport, New York 14094, in connection with the following matter:

**Lockport Schools Federal Credit Union.**, and/or an individual(s) or affiliate, subsidiary, or entity or entities formed or to be formed on its behalf (the "Company"), has submitted an application to the Agency, a copy of which is on file at the office of the Agency, requesting that the Agency consider undertaking a project (the "Project") consisting of: (A) the acquisition or retention by the Agency of fee title to, or a leasehold interest in, a parcel of land located at 360 South Transit Street in the City of Lockport, Niagara County, New York (the "Land"); (B) the demolition of the existing building located on the Land, with the construction of a new 2,856 square foot building ("Improvements"); and (C) the acquisition and installation in and around the Improvements of certain items of machinery, equipment and other tangible personal property (the "Equipment" and collectively with the Land and the Improvements, the "Facility").

The Agency will acquire title to, or a leasehold interest in, the Facility and lease the Facility back to the Company. The Company will operate the Facility during the term of the lease. At the end of the lease term, the Company will purchase the Facility from the Agency, or if the Agency holds a leasehold interest, the leasehold interest will be terminated. The Agency contemplates that it will provide financial assistance (the "Financial Assistance") to the Company in the form of sales and use tax exemptions and a mortgage tax exemption consistent with the policies of the Agency, and a partial real property tax abatement.

DATED: June 8, 2022

NIAGARA COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY

By:   
Susan C. Langdon  
Executive Director



**NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
NOTICE OF PUBLIC HEARING**

**NOTICE IS HEREBY GIVEN** that a public hearing pursuant to Article 18-A of the New York General Municipal Law will be held by the Niagara County Industrial Development Agency (the "Agency") on the 29th day of June, 2022, at 2:00 p.m., local time, at the Lockport City Hall, Lockport Municipal Building, One Locks Plaza, Lockport, New York 14094, in connection with the following matter:

Lockport Schools Federal Credit Union., and/or an Individual(s) or affiliate, subsidiary, or entity or entities formed or to be formed on its behalf (the "Company"), has submitted an application to the Agency, a copy of which is on file at the office of the Agency, requesting that the Agency consider undertaking a project (the "Project") consisting of: (A) the acquisition or retention by the Agency of fee title to, or a leasehold interest in, a parcel of land located at 360 South Transit Street in the City of Lockport, Niagara County, New York (the "Land"); (B) the demolition of the existing building located on the Land, with the construction of a new 2,856 square foot building ("Improvements"); and (C) the acquisition and installation in and around the Improvements of certain items of machinery, equipment and other tangible personal property (the "Equipment" and collectively with the Land and the Improvements, the "Facility").

The Agency will acquire title to, or a leasehold interest in, the Facility and lease the Facility back to the Company. The Company will operate the Facility during the term of the lease. At the end of the lease term, the Company will purchase the Facility from the Agency, or if the Agency holds a leasehold interest, the leasehold interest will be terminated. The Agency contemplates that it will provide financial assistance (the "Financial Assistance") to the Company in the form of sales and use tax exemptions and a mortgage tax exemption consistent with the policies of the Agency, and a partial real property tax abatement.

**DATED: June 8, 2022**

**NIAGARA COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY**

By: Susan C. Langdon  
Executive Director

**L/301383**

**6/14/2022**

PUBLIC HEARING Lockport Schools Federal  
Credit Union and/or Individual(s) or Affiliate(s),  
Subsidiary(ies), or Entity(ies) formed or to be  
formed on its behalf

Public Hearing to be held on June 29, 2022 at 2:00 p.m.  
at Lockport City Hall

Andrea Klyczek: *Welcome. This public hearing is now open; it is 2:00 p.m. My name is Andrea Klyczek. I am the Assistant Director of the Niagara County Industrial Development Agency, and I have been designated by the Agency to be the hearing officer to conduct this public hearing.*

*We are here to solicit comments on Lockport Schools Federal Credit Union and/or Individual(s) or Affiliate(s), Subsidiary(ies), or Entity(ies) formed or to be formed on its behalf. The transcript of this hearing will be reviewed and considered by the Agency in determination of this project. Notice of this public hearing appeared in the Union Sun and Journal on June 14, 2022.*

*The proposed project (the "Project") includes the demolition of an existing building at 360 S. Transit Street and the construction of a new building to house the Lockport Schools Federal Credit Union.*

*The proposed financial assistance contemplated by the Agency may include New York State and local sales and use tax exemption benefits and mortgage recording tax exemption benefits (in compliance with Agency's uniform tax exemption policy), and a partial real property tax abatement.*

*The project application and project summary are posted on the Agency's website at [niagaracountybusiness.com](http://niagaracountybusiness.com) and I have copies with me here today.*

*If you have a written comment to submit for the record, you may do so. Written comments may also be delivered to Agency at 6311 Inducon Corporate Drive, Suite One, Sanborn, New York 14132 until the comment period closes on July 1, 2022.*

*If anyone is interested in making a comment, please, state your name and address; if you are representing a company, please identify the company).*

*Are there any comments? Hearing no comments, I will now adjourn this meeting. It is now 2:02 p.m. Thank you.*

**SIGN IN SHEET  
PUBLIC HEARING**

June 29, 2022 at 2 p.m.  
Lockport City Hall

regarding:

Lockport Schools Federal Credit Union and/or Individual(s) or Affiliate(s), Subsidiary(ies),  
or Entity(ies) formed or to be formed on its behalf

Name	Company and/or Address	X box to speak/ comment
JOHN SHOEMAKER	NCRPTS	

EXHIBIT B

617.20  
Appendix B  
Short Environmental Assessment Form

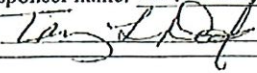
**Instructions for Completing**

**Part 1 - Project Information.** The applicant or project sponsor is responsible for the completion of Part 1. Responses become part of the application for approval or funding, are subject to public review, and may be subject to further verification. Complete Part 1 based on information currently available. If additional research or investigation would be needed to fully respond to any item, please answer as thoroughly as possible based on current information.

Complete all items in Part 1. You may also provide any additional information which you believe will be needed by or useful to the lead agency; attach additional pages as necessary to supplement any item.

<b>Part 1 - Project and Sponsor Information</b>				
Name of Action or Project: Lockport Schools Federal Credit Union new Build				
Project Location (describe, and attach a location map): 360 S Transit Street, Lockport NY <a href="https://goo.gl/maps/nJkVquuoMHVTgz1f7">https://goo.gl/maps/nJkVquuoMHVTgz1f7</a>				
Brief Description of Proposed Action: Tern down of existing building. New Credit Union office building with drive-thru.				
Name of Applicant or Sponsor: Lockport Schools Federal Credit Union, Tammy Dodge-Manager		Telephone: 716-419-0003 E-Mail: tdodge@lockportschoolsfcu.org		
Address: 360 South Transit Street				
City/PO: Lockport	State: NY	Zip Code: 14094		
1. Does the proposed action only involve the legislative adoption of a plan, local law, ordinance, administrative rule, or regulation? If Yes, attach a narrative description of the intent of the proposed action and the environmental resources that may be affected in the municipality and proceed to Part 2. If no, continue to question 2.			NO <input type="checkbox"/>	YES <input type="checkbox"/>
2. Does the proposed action require a permit, approval or funding from any other governmental Agency? If Yes, list agency(s) name and permit or approval: City of Lockport, building permits			NO <input type="checkbox"/>	YES <input checked="" type="checkbox"/>
3.a. Total acreage of the site of the proposed action?		.58 acres		
b. Total acreage to be physically disturbed?		.58 acres		
c. Total acreage (project site and any contiguous properties) owned or controlled by the applicant or project sponsor?		.58 acres		
4. Check all land uses that occur on, adjoining and near the proposed action. <input type="checkbox"/> Urban <input type="checkbox"/> Rural (non-agriculture) <input type="checkbox"/> Industrial <input checked="" type="checkbox"/> Commercial <input checked="" type="checkbox"/> Residential (suburban) <input type="checkbox"/> Forest <input type="checkbox"/> Agriculture <input type="checkbox"/> Aquatic <input type="checkbox"/> Other (specify): _____ <input type="checkbox"/> Parkland				

5. Is the proposed action, a. A permitted use under the zoning regulations?	NO	YES	N/A	
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
b. Consistent with the adopted comprehensive plan?	NO	YES	N/A	
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
6. Is the proposed action consistent with the predominant character of the existing built or natural landscape?	NO	YES		
	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
7. Is the site of the proposed action located in, or does it adjoin, a state listed Critical Environmental Area? If Yes, identify: _____	NO	YES		
	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
8. a. Will the proposed action result in a substantial increase in traffic above present levels?	NO	YES		
	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
	b. Are public transportation service(s) available at or near the site of the proposed action?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
	c. Are any pedestrian accommodations or bicycle routes available on or near site of the proposed action?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
9. Does the proposed action meet or exceed the state energy code requirements? If the proposed action will exceed requirements, describe design features and technologies: _____	NO	YES		
	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
10. Will the proposed action connect to an existing public/private water supply? If No, describe method for providing potable water: _____	NO	YES		
	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
11. Will the proposed action connect to existing wastewater utilities? If No, describe method for providing wastewater treatment: _____	NO	YES		
	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
12. a. Does the site contain a structure that is listed on either the State or National Register of Historic Places? b. Is the proposed action located in an archeological sensitive area?	NO	YES		
	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
13. a. Does any portion of the site of the proposed action, or lands adjoining the proposed action, contain wetlands or other waterbodies regulated by a federal, state or local agency? b. Would the proposed action physically alter, or encroach into, any existing wetland or waterbody? If Yes, identify the wetland or waterbody and extent of alterations in square feet or acres: _____	NO	YES		
	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
14. Identify the typical habitat types that occur on, or are likely to be found on the project site. Check all that apply: <input type="checkbox"/> Shoreline <input type="checkbox"/> Forest <input type="checkbox"/> Agricultural/grasslands <input type="checkbox"/> Early mid-successional <input type="checkbox"/> Wetland <input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban				
15. Does the site of the proposed action contain any species of animal, or associated habitats, listed by the State or Federal government as threatened or endangered?	NO	YES		
	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
16. Is the project site located in the 100 year flood plain?	NO	YES		
	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
17. Will the proposed action create storm water discharge, either from point or non-point sources? If Yes, a. Will storm water discharges flow to adjacent properties? <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES b. Will storm water discharges be directed to established conveyance systems (runoff and storm drains)? If Yes, briefly describe: <input type="checkbox"/> NO <input checked="" type="checkbox"/> YES Storm water will drain to catch basins and then tie into existing catch basins on Transit Street	NO	YES		
	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
	<input type="checkbox"/>	<input type="checkbox"/>		

18. Does the proposed action include construction or other activities that result in the impoundment of water or other liquids (e.g. retention pond, waste lagoon, dam)? If Yes, explain purpose and size: _____	NO	YES
_____	<input checked="" type="checkbox"/>	<input type="checkbox"/>
19. Has the site of the proposed action or an adjoining property been the location of an active or closed solid waste management facility? If Yes, describe: _____	NO	YES
_____	<input checked="" type="checkbox"/>	<input type="checkbox"/>
20. Has the site of the proposed action or an adjoining property been the subject of remediation (ongoing or completed) for hazardous waste? If Yes, describe: _____	NO	YES
_____	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>I AFFIRM THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND ACCURATE TO THE BEST OF MY KNOWLEDGE</b>		
Applicant/sponsor name: <u>Lockport Schools FCU, Tammy Dodge</u> Date: <u>6/2/2022</u>		
Signature: <u></u>		

**Part 2 - Impact Assessment. The Lead Agency is responsible for the completion of Part 2. Answer all of the following questions in Part 2 using the information contained in Part 1 and other materials submitted by the project sponsor or otherwise available to the reviewer. When answering the questions the reviewer should be guided by the concept "Have my responses been reasonable considering the scale and context of the proposed action?"**

	No, or small impact may occur	Moderate to large impact may occur
1. Will the proposed action create a material conflict with an adopted land use plan or zoning regulations?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Will the proposed action result in a change in the use or intensity of use of land?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Will the proposed action impair the character or quality of the existing community?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4. Will the proposed action have an impact on the environmental characteristics that caused the establishment of a Critical Environmental Area (CEA)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5. Will the proposed action result in an adverse change in the existing level of traffic or affect existing infrastructure for mass transit, biking or walkway?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
6. Will the proposed action cause an increase in the use of energy and it fails to incorporate reasonably available energy conservation or renewable energy opportunities?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
7. Will the proposed action impact existing:	<input checked="" type="checkbox"/>	<input type="checkbox"/>
a. public / private water supplies?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. public / private wastewater treatment utilities?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. Will the proposed action impair the character or quality of important historic, archaeological, architectural or aesthetic resources?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
9. Will the proposed action result in an adverse change to natural resources (e.g., wetlands, waterbodies, groundwater, air quality, flora and fauna)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

	No, or small impact may occur	Moderate to large impact may occur
10. Will the proposed action result in an increase in the potential for erosion, flooding or drainage problems?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
11. Will the proposed action create a hazard to environmental resources or human health?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**Part 3 - Determination of significance.** The Lead Agency is responsible for the completion of Part 3. For every question in Part 2 that was answered "moderate to large impact may occur", or if there is a need to explain why a particular element of the proposed action may or will not result in a significant adverse environmental impact, please complete Part 3. Part 3 should, in sufficient detail, identify the impact, including any measures or design elements that have been included by the project sponsor to avoid or reduce impacts. Part 3 should also explain how the lead agency determined that the impact may or will not be significant. Each potential impact should be assessed considering its setting, probability of occurring, duration, irreversibility, geographic scope and magnitude. Also consider the potential for short-term, long-term and cumulative impacts.

<input type="checkbox"/>	Check this box if you have determined, based on the information and analysis above, and any supporting documentation, that the proposed action may result in one or more potentially large or significant adverse impacts and an environmental impact statement is required.
<input checked="" type="checkbox"/>	Check this box if you have determined, based on the information and analysis above, and any supporting documentation, that the proposed action will not result in any significant adverse environmental impacts.
_____	_____
Name of Lead Agency	Date
_____	_____
Print or Type Name of Responsible Officer in Lead Agency	Title of Responsible Officer
_____	_____
Signature of Responsible Officer in Lead Agency	Signature of Preparer (if different from Responsible Officer)

**PRINT**

# **PILOT Agreement**



NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

AND

LOCKPORT SCHOOLS FEDERAL CREDIT UNION

(collectively, as Mortgagor)

TO

NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY,

As Mortgagee for the benefit of  
NIAGARA COUNTY, NEW YORK;  
CITY OF LOCKPORT, NEW YORK; and  
LOCKPORT CITY SCHOOL DISTRICT,

(collectively, the Taxing Jurisdictions)

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**PILOT MORTGAGE**

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**Dated: as of September 1, 2022**

**AFTER RECORDING RETURN TO:**

Gabriele & Berrigan, P.C.  
ATTN: Michelle Squaires  
Box

## **PILOT MORTGAGE**

**THIS PILOT MORTGAGE**, made as of the 1<sup>st</sup> day of September, 2022 (the "PILOT Mortgage"), is from the **NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY**, a public benefit corporation of the State of New York with offices at 6311 Inducon Corporate Drive, Suite One, Sanborn, New York 14132 (the "Agency"), and **LOCKPORT SCHOOLS FEDERAL CREDIT UNION**, a credit union organized under the laws of the United States of America and authorized to conduct its business in the State of New York, with offices at 360 S. Transit Street, Lockport, New York 14094 (the "Company" and, together with the Agency, sometimes hereinafter collectively referred to as the "Mortgagor"), and **NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY**, as Mortgagee (the "Mortgagee"), in and for the benefit of **NIAGARA COUNTY, NEW YORK, CITY OF LOCKPORT, NEW YORK** and **LOCKPORT CITY SCHOOL DISTRICT**, each of which shall ultimately receive the PILOT Payments (collectively referred to as the "Taxing Jurisdictions").

WITNESSETH, that to secure the obligation of the Company to make all payments and perform all other obligations of the Company for the benefit of the Mortgagee and the Taxing Jurisdictions under that certain payment-in-lieu-of-tax agreement (the "PILOT Agreement") dated as of the date hereof between the Agency and the Company (as such payments are described in the PILOT Agreement, a form of which is attached hereto as **Exhibit B**), the Mortgagor hereby mortgages to the Mortgagee the real property described in **Exhibit A** attached hereto (the "Mortgaged Property"), including any insurance or condemnation proceeds related thereto in an amount equal to the aggregate of all Total unpaid and defaulted PILOT Payments (as defined in the PILOT Agreement);

TOGETHER with all, right, title and interest of the Mortgagor in and to the land lying in the streets and road in front of and adjoining said Mortgaged Property in an amount equal to the aggregate of all unpaid and defaulted Total PILOT; and

TOGETHER with all fixtures, furnishings, fittings, appliances, machinery, chattels and articles of personal property now or hereafter attached to or used solely in connection with the Mortgaged Property, together with any and all replacements thereof and additions thereto in an amount equal to the aggregate of all unpaid and defaulted Total PILOT;

BEING THE SAME PREMISES and interest therein leased by the Company to the Agency pursuant to the terms of a certain Lease Agreement, dated as of the date hereof by and between the Company and the Agency (the "Lease Agreement"), and which premises and interests therein are being leased by the Agency back to the Company pursuant to the terms of a certain Leaseback Agreement, dated as of the date hereof, by and between the Company and the Agency (the "Leaseback Agreement"); which memorandum of the Lease Agreement and a memorandum of the Leaseback Agreement are intended to be recorded in the office of the Niagara County Clerk prior to or contemporaneously with the recording of this PILOT Mortgage; and

This PILOT Mortgage, when recorded, shall constitute a lien against the Mortgaged Property in an amount equal to any and all unpaid and defaulted Total PILOT Payments.

NOW THEREFORE, Mortgagor covenants and agrees with Mortgagee as follows:

1. That the Company will timely perform all of its obligations under the PILOT Agreement and will timely pay all amounts due thereunder. In addition, the Company will maintain or cause to be maintained in good condition and repair the buildings and improvements constructed, renovated and equipped or to be constructed, renovated and equipped on the Mortgaged Property, and shall not commit or permit waste or permit any nuisance to exist thereon.

2. That if any action or proceeding be commenced (except an action to foreclose this PILOT Mortgage or to collect the debt secured thereby), to which action or proceeding the Mortgagee is made a party, or in which it becomes necessary to defend or uphold the lien of this PILOT Mortgage, all reasonable out-of-pocket sums paid by the Mortgagee for the expense of any litigation to prosecute or defend the rights and lien created by this PILOT Mortgage (including reasonable counsel fees and all reasonable costs and disbursements incurred in connection with such litigation) shall be paid by the Company, together with interest thereon at the applicable rate prescribed by Title I of Article 18-A of the New York State General Municipal Law, and any such sum and the interest thereon shall be a lien on said Mortgaged Property, prior to any right, title to, interest in or claim upon said Mortgaged Property attaching or accruing subsequent to the lien of this PILOT Mortgage, and shall be deemed to be secured by this PILOT Mortgage. In any action or proceeding to foreclose this PILOT Mortgage, the provisions of law respecting the recovery of costs, disbursements and allowance shall prevail unaffected by this covenant.

3. The Mortgagee's enforcement of its rights under this PILOT Mortgage shall be expressly subject (in the case of a failure of the Company to make any payments required to be paid pursuant to the PILOT Agreement) to the limitation that no such rights may be exercised until the Company shall be in default beyond applicable notice and cure periods in the making of any payment for the benefit of the Mortgagee in accordance with the terms of the PILOT Agreement. Notwithstanding anything to the contrary contained herein, Mortgagee agrees that it shall commence its enforcement rights under this PILOT Mortgage within twelve (12) months from the date the Company shall be in default in the making of any payment for the benefit of the Mortgagee in accordance with the terms of the PILOT Agreement.

4. The Company shall name the Agency and the Mortgagee as an additional insured, as its interests may appear, on any policy of hazard insurance required to be carried in connection with the Mortgaged Property, until the amounts secured by this PILOT Mortgage are paid in full.

5. The obligations and agreements of the Agency contained herein and in any other instrument or document executed in connection herewith, and any other instrument or document supplemental hereto, shall be deemed the obligations and agreements of the Agency, and not of any member, officer, agent (other than the Company) or employee of the Agency in his/her individual capacity, and the members, officers, agents (other than the Company) and employees of the Agency shall not be liable personally hereon or be subject to any personal liability or accountability based upon or in respect hereto or of any transaction contemplated hereby. The obligations and agreements

of the Agency contained herein shall not constitute or give rise to any obligations of the State of New York or Niagara County, New York, 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 of the Facility (as defined in the PILOT Agreement).

Notwithstanding any provision of this PILOT Mortgage 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 or the Taxing Jurisdictions, and (B) compliance with such request is not reasonably expected to result in the incurrence by the Agency (or any member, officer or employee of the Agency) of any liabilities, fees, expenses or other costs, unless the Agency shall have received from the Company or the Taxing Jurisdictions, as the case may be, security or indemnity satisfactory to the Agency for protection against all such liabilities, however remote, and for the reimbursement of all such fees, expenses and other costs. This PILOT Mortgage shall in no way impair or adversely affect the Agency's Unassigned Rights (as defined in the Leaseback Agreement).

6. The term "Event of Default" as used herein shall have the meaning as set forth in the PILOT Agreement.

7. (a) Subject to the provisions of the PILOT Agreement and the provisions of Section 3 hereof, upon the occurrence and during the continuation of an Event of Default hereunder, beyond any applicable notice and cure period, the Mortgagee may, in addition to any other rights or remedies available to it hereunder, at law or in equity, take such action, as may be permitted by applicable law, as is necessary to protect and enforce its rights against the Mortgagor in and to the Mortgaged Property including, but not limited to, the following actions:

(i) enter into or upon the Mortgaged Property, either personally or by its agents, nominees or attorneys, and dispossess the Mortgagor and its agents, employees and servants therefrom and thereupon the Mortgagee may (A) use, operate, manage, control, insure, maintain, repair, restore and otherwise deal with all and every part of the Mortgaged Property and conduct the business thereat, (B) complete any construction on the Mortgaged Property in such manner and form as the Mortgagee deems advisable, (C) make alterations, additions, renewals, replacements and improvements to or on the Mortgaged Property, and (D) exercise all rights and powers of the Mortgagor with respect to the Mortgaged Property, whether in the name of the Mortgagor or otherwise;

(ii) institute proceedings for the foreclosure of this PILOT Mortgage;

(iii) to the extent permitted by applicable law, sell or otherwise dispose of the Mortgaged Property or any part thereof and all estate, claim, demand, right, title and interest of the Mortgagor therein and rights of redemption thereof, pursuant to power of sale or otherwise, at one or more sales, in whole or in parcels, at such time and place, upon such

terms and after such notice thereof as may be required or permitted by law, and in the event of a sale, by foreclosure or otherwise, of less than all of the Mortgaged Property, this PILOT Mortgage shall continue to the full extent permitted by applicable law as a lien on the remaining portion of the Mortgaged Property; or

(iv) pursue such other remedies as the Mortgagee may have hereunder, under applicable law or in equity.

(b) The avails of any sale or other disposition made under or by virtue of this Section 7, together with any other sums which then may be held by the Mortgagee under this PILOT Mortgage, whether under the provisions of this Section 7 or otherwise, shall be applied as follows:

First: To payment of the reasonable costs and expenses, including, but not limited to, necessary repairs, improvements, or environmental remediations, of any such sale or other disposition including reasonable out-of-pocket costs of the Mortgagee, its agents and counsel, and of any judicial proceedings wherein the same may be made, and all expenses, liabilities and advances reasonably made or incurred by the Mortgagee under this PILOT Mortgage on all advances made by the Mortgagee, and all taxes required to be paid in connection with such sale or other disposition of the Mortgaged Property, except any taxes or other charges subject to which the Mortgaged Property shall have been sold;

Second: To the payment of the Company's liabilities and obligations pursuant to the PILOT Agreement;

Third: The surplus, if any to the Mortgagor, or to whomsoever may be lawfully entitled to receive the same if not the Mortgagor upon ten (10) days' prior notice to the Mortgagor.

(c) The Mortgagee may adjourn from time to time any sale by it under or by virtue of this PILOT Mortgage by announcement at the time and place appointed for such sale or for adjourned sale or sales and, except as otherwise provided by any applicable provision of law, the Mortgagee, without further notice or publication, may make such sale at the time and place to which the same shall be so adjourned.

(d) To the extent permitted by applicable law, no recovery of any judgment by the Mortgagee and no levy of an execution under any judgment upon the Mortgaged Property or upon any other property of Mortgagor shall affect in any manner or to any extent the lien of this PILOT Mortgage upon the Mortgaged Property or any part thereof or any liens, rights, powers or remedies of Mortgagee hereunder, but such liens, rights, powers and remedies of Mortgagee shall continue unimpaired.

(e) Upon the occurrence and during the continuation of an Event of Default beyond any applicable notice and cure periods, the Mortgagor, (if it is an occupant of the Mortgaged Property or any part thereof), shall upon Mortgagee's demand immediately surrender possession of the Mortgaged Property (or the portion thereof so occupied) to Mortgagee.

8. To the extent permitted by applicable law, no remedy herein conferred upon or reserved to Mortgagee is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative, and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. No delay or omission of Mortgagee in exercising any right or power accruing upon an Event of Default shall impair any such right or power, or shall be construed to be a waiver of such Event of Default, or any acquiescence therein; and every power and remedy given by this PILOT Mortgage to Mortgagee may be exercised from time to time as often as may be deemed expedient by Mortgagee, provided, however, Mortgagee agrees that it shall commence its enforcement rights under this PILOT Mortgage within twelve (12) months following an Event of Default. Without limiting the generality of the foregoing, any payment made by Mortgagee for insurance premiums, taxes, assessments, water rates, sewer rentals, levies, fees or any other charges affecting the Mortgaged Property shall not constitute a waiver of Mortgagor's obligations in making such payments and shall not obligate Mortgagee to make any further payments. Nothing in this PILOT Mortgage or in the PILOT Agreement shall affect the obligation of the Company to perform under the PILOT Agreement in the manner and at the time and place therein expressed.

9. In the event any covenant or agreement contained in this PILOT Mortgage should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder. No waiver shall be binding unless it is in writing and signed by the party making such waiver. No course of dealing between the Agency and the Company or any delay or omission on the part of Mortgagee in exercising any rights hereunder or under any other document shall operate as a waiver.

10. Notwithstanding anything contained herein to the contrary, the Mortgagee hereby agrees that there shall be no recourse against the Company for any liability to the Mortgagee arising in connection with any breach or default under this PILOT Mortgage, or the PILOT Agreement, by the Company except to the extent the same is enforced against the rights, title and interest of the Company in the Mortgaged Property, and the Mortgagee shall look solely to the rights, title and interest of the Company relating to the Mortgaged Property in enforcing its rights against the Company under and in connection with this PILOT Mortgage or the PILOT Agreement; provided that (a) the foregoing provisions of this Section shall not constitute a waiver, release or discharge of any of the obligations arising under, or of any of the terms, covenants, conditions, or provisions of, this PILOT Mortgage or the PILOT Agreement, but the same shall continue until fully paid, discharged, observed, or performed, and (b) the foregoing provisions of this Section shall not limit or restrict the right of the Mortgagee to name the Company or any other Person as a defendant in any action or suit for a judicial foreclosure or for the exercise of any remedy under or with respect to this

PILOT Mortgage or the PILOT Agreement, or for injunction or specific performance. In addition, nothing contained in this Section shall limit in any way the ability of the Mortgagee to enforce its rights or the rights of the Company against any Person other than the Company under this PILOT Mortgage or the PILOT Agreement.

11. The Company, as agent of the Agency, shall bear any and all costs and expenses pertaining to this PILOT Mortgage and the perfection thereof, including but not limited to any applicable recording fees and mortgage taxes, the New York State mortgage tax (1/2 of 1%) and additional mortgage tax (1/4 of 1%), to the extent applicable. To the extent Agency is not exempt from the payment of any of the foregoing costs and expenses, the Company shall pay same.

12. All notices, certificates and other communication hereunder shall be in writing and shall be sufficiently given and shall be deemed given when (A) sent to the applicable address stated below by registered or certified mail, return receipt requested, or by telecopy or other electronic means of communication, followed by prompt written confirmation thereof, or by such other means as shall provide the sender with documentary evidence of such delivery, or (B) delivery is refused by the addressee, as evidenced by the affidavit of the person who attempted to effect such delivery. The addresses to which notices, certificates and other communication hereunder shall be delivered are as follows:

**If to the Agency:**

Niagara County Industrial Development Agency  
6311 Inducon Corporate Drive, Suite One  
Sanborn, New York 14132  
Attn: Executive Director

**With a copy to:**

Gabriele & Berrigan, P.C.  
800 Main Street, 4<sup>th</sup> Floor  
Suite B  
Niagara Falls, New York 14301  
Attn: Mark J. Gabriele, Esq.

**If to the Company:**

Lockport Schools Federal Credit Union  
360 S. Transit Street  
Lockport, New York 14094  
Attn: Tammy Dodge, Manager

**with a copy to:**

Rupp, Baase, Pfalzgraf, Cunningham Attorneys  
1600 Liberty Building  
424 Main Street  
Buffalo, New York 14202

**If to the County:**

Niagara County Manager  
Philo J. Brooks Building  
59 Park Avenue  
Lockport, New York 14094

**and**

Chairman  
Niagara County Legislature  
County Courthouse  
175 Hawley Street  
Lockport, New York 14094

**If to the City:**

Mayor  
City of Lockport  
1 Locks Plaza  
Lockport, New York 14094

**If to the School District:**

Superintendent  
Lockport City School District  
130 Beattie Avenue  
Lockport, New York 14094

The parties by notice given in accordance with this Section 12 to each of the others, may designate any further or different addresses to which subsequent notices, certificates or other communications to them shall be sent.

13. Terms with capitalized first initials used in this PILOT Mortgage shall have the meanings ascribed to such terms in the PILOT Agreement unless the context otherwise requires. The word "Mortgagor" shall be construed as if it read "Mortgagors" whenever the sense of this PILOT Mortgage so requires. The word "Mortgagee" shall be construed as if it read "Mortgagees and the Taxing Jurisdictions" whenever the sense of this PILOT Mortgage so requires.

14. If an Event of Default shall have occurred and be continuing, beyond any applicable notice and cure periods, Mortgagee (subject to the provisions of Section 3 hereof), as a matter of right and without regard to the adequacy of the Mortgaged Property as collateral security, but after



notice to Mortgagor, shall have the right to appoint a receiver or receivers, and Mortgagor hereby irrevocably consents to such appointment.

15. Mortgagor agrees that it will not, at any time, insist upon or plead in any way the advantage of any appraisal, valuation, stay, marshaling of assets, extensions, redemption or moratorium law now or hereafter in force and effect so as to prevent, hinder or delay the enforcement of the provisions of this PILOT Mortgage or any rights or remedies, including foreclosure proceedings, Mortgagee may have hereunder or by law or equity.

16. The Company represents and warrants that the Agency has a good and insurable leasehold interest in the Mortgaged Property pursuant to the Lease Agreement and that the Company has a good and insurable leasehold interest in the Mortgaged Property pursuant to the Leaseback Agreement.

17. In the case of a foreclosure sale, the Mortgaged Property may be sold in one parcel.

18. This PILOT Mortgage may not be effectively waived, discharged, amended, changed, modified, altered or terminated, unless such amendment, change, modification, alteration or termination is in a writing intended for such purpose and executed and delivered by Mortgagee and Mortgagor.

19. If any article, section, subdivision, paragraph, sentence, clause, phrase, provision or portion of this PILOT Mortgage shall for any reason be finally held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction, such article, section, subdivision, paragraph, sentence, clause, phrase, provision or portion so adjudged invalid, illegal, or unenforceable shall be deemed separate, distinct and independent, and the remainder of this PILOT Mortgage shall be and remain in full force and effect and shall not be invalidated or rendered illegal or enforceable or otherwise affected by any such holding or adjudication.

20. This PILOT Mortgage shall be governed by and construed in accordance with the laws of the State of New York, exclusive of New York's conflict of laws, rules and public policies. This PILOT Mortgage constitutes the final expression of the agreement between Mortgagor and Mortgagee with respect to its subject matter, and all prior and contemporaneous discussions, negotiations, drafts and agreements are hereby merged into and superseded by this PILOT Mortgage. Notwithstanding the foregoing, it is expressly agreed that the PILOT Agreement and each of the Company's obligations thereunder shall survive the execution, delivery and recording of this PILOT Mortgage.

21. If any action or proceeding be commenced by or on behalf of Mortgagee to foreclose this PILOT Mortgage, the Company agrees to pay to Mortgagee its reasonable out-of-pocket attorneys' fees and other expenses incurred in connection with such action or proceeding, and such amounts shall be a lien on the Mortgaged Property prior to any right or title to, or interest in, or claim upon the Mortgaged Property attaching or accruing subsequent to the lien of this PILOT Mortgage.

22. The rights of Mortgagee under this PILOT Mortgage are independent of and cumulative to its rights, with respect to the collection of special assessments and special ad valorem levies, if any, lawfully assessed against the Mortgaged Property or any part thereof.

23. This PILOT Mortgage constitutes a security agreement under the New York Uniform Commercial Code with respect to any portion of the Mortgage Property which is personal property and Mortgagee shall have all of the rights and remedies of a secured party thereby in addition to the rights and remedies granted by other applicable law or by this PILOT Mortgage. Mortgagor agrees to execute a UCC-1 Financing Statement to implement this provision.

24. So long as any portion of the obligations of the Company under the PILOT Agreement shall remain outstanding, the title to the Mortgaged Property and the lien of this PILOT Mortgage shall not merge, but shall always be kept separate and distinct.

25. The covenants contained in this PILOT Mortgage shall run with the land and bind Mortgagor, its heirs, personal representatives, successors and assigns and all subsequent owners, encumbrances, tenants and subtenants of the premises, and shall inure to the benefit of Mortgagee, its personal representatives, successors and assigns and all subsequent holders of this PILOT Mortgage.

26. Upon the termination of the PILOT Agreement and the payment in full of all sums payable thereunder, Mortgagee by acceptance of this PILOT Mortgage agrees to execute and deliver any and all instruments necessary and/or appropriate to discharge the lien of record of this PILOT Mortgage.

27. If this PILOT Mortgage contains any unlawful provision not an essential part of this PILOT Mortgage and which shall not appear to have been a controlling or material inducement to the making thereof, the same shall be deemed of no effect and shall, upon notice by either party, be deemed stricken from this PILOT Mortgage without affecting the binding force of the remainder.

28. Section headings are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope or intent of this PILOT Mortgage and in no way affect this PILOT Mortgage.

29. This PILOT Mortgage may be executed in one or more counterparts, each of which shall be an original and all of which together shall constitute but one and the same instrument.

*[Remainder of Page Intentionally Left Blank]*

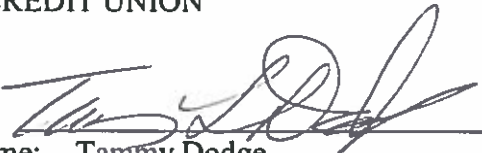
**[Signature Page to PILOT Mortgage]**

IN WITNESS WHEREOF, this PILOT Mortgage has been duly executed by the Mortgagor as of the day and year first above written.

NIAGARA COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY

By:   
Name: Susan C. Langdon  
Title: Executive Director

LOCKPORT SCHOOLS FEDERAL  
CREDIT UNION

By:   
Name: Tammy Dodge  
Title: Manager

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

On the 8<sup>th</sup> day of September, in the year 2022, before me, the undersigned, personally appeared **Susan C. Langdon**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her capacity, and that by her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

  
\_\_\_\_\_  
Notary Public

Mark J. Gabriele  
Qualified in Niagara county  
No. 4948558  
Notary Public, State of New York  
My Commission Expires 03/20/2023

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

On the 9<sup>th</sup> day of September, in the year 2022, before me, the undersigned, personally appeared, **Tammy Dodge**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

  
\_\_\_\_\_  
Notary Public

Mark J. Gabriele  
Qualified in Niagara county  
No. 4948558  
Notary Public, State of New York  
My Commission Expires 03/20/2023

## EXHIBIT A

ALL THAT TRACT OR PARCEL OF LAND, situate in the City of Lockport, County of Niagara and State of New York, being part of Lot 11, Section 14, Township 14, Range 6 of the Holland Land Company's Survey, bounded and described as follows:

BEGINNING at the intersection of the east line of South Transit Street (66 feet wide) with the north line of Gaffney Road (50 feet wide), thence northerly along the east line of South Transit Street, a distance of 171.5 feet, thence easterly at right angles, a distance of 149 feet, thence southerly parallel with South Transit Street, a distance of 166.5 feet to the north line of Gaffney Road, thence westerly along the north line of Gaffney Road, a distance of 149.1 feet to the point or place of beginning.

Exhibit B

NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

AND

LOCKPORT SCHOOLS FEDERAL CREDIT UNION

---

PAYMENT-IN-LIEU-OF-TAX AGREEMENT

---

Relating to the Premises located at  
360 S. Transit Street in the City of Lockport,  
Niagara County, New York

Affected Tax Jurisdictions:  
Niagara County  
City of Lockport  
Lockport City School District

Tax Map No.

123.05-2-85

Dated as of September 1, 2022

## PAYMENT-IN-LIEU-OF-TAX AGREEMENT

THIS PAYMENT-IN-LIEU-OF-TAX AGREEMENT (the "PILOT Agreement"), dated as of the 1<sup>st</sup> day of September, 2022, is by and between the **NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY**, a public benefit corporation duly existing under the laws of the State of New York with its offices at 6311 Inducon Corporate Drive, Suite 1, Sanborn, New York 14132 (the "Agency") and **LOCKPORT SCHOOLS FEDERAL CREDIT UNION**, a credit union organized under the laws of the United States of America and authorized to conduct its business in the State of New York, with offices located at 360 S. Transit Street, Lockport, New York 14094 (the "Company").

### WITNESSETH:

WHEREAS, the Agency was created by Chapter 569 of the Laws of 1972 of the State of New York pursuant to Title I of Article 18-A of the General Municipal Law of the State of New York (collectively, the "Act") as a body corporate and politic and as a public benefit corporation of the State of New York; and

WHEREAS, the Company has requested the Agency's assistance with a certain project (the "Project") consisting of: (A) the acquisition or retention by the Agency of fee title to, or a leasehold interest in, a parcel of land located at 360 South Transit Street in the City of Lockport, Niagara County, New York (the "Land"); (B) the demolition of the existing building located on the Land, with the construction of a new 2,856 square foot building ("Improvements"); and (C) the acquisition and installation in and around the Improvements of certain items of machinery, equipment and other tangible personal property (the "Equipment" and collectively with the Land and the Improvements, the "Facility").

WHEREAS, in order to induce the Company to acquire, construct and equip the Facility, the Agency is willing to take a leasehold interest in the land, improvements and personal property constituting the Facility and lease said land, improvements and personal property back to the Company pursuant to the terms and conditions of a certain Leaseback Agreement, dated on or about the date hereof (the "Leaseback Agreement"); and

WHEREAS, pursuant to Section 874(1) of the Act, the Agency is exempt from the payment of taxes imposed upon real property and improvements owned by it or under its jurisdiction, control or supervision, other than special ad valorem levies, special assessments and service charges against real property which are or may be imposed for special improvements or special district improvements; and

WHEREAS, the Agency and the Company deem it necessary and proper to enter into an agreement making provisions for payments-in-lieu-of-taxes by the Company to the Agency for the benefit of Niagara County (the "County"), the City of Lockport (the "City"), the Lockport City School District (the "School District" and, collectively with the County and City, the "Affected Tax Jurisdictions").

NOW, THEREFORE, in consideration of the covenants herein contained, and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, it is mutually agreed as follows:

Section I - Payment in lieu of Ad Valorem Taxes:

Section 1.1 A. Subject to the completion and filing by the taxable status date (**March 1, 2023**) (the "Taxable Status Date") of New York State Form RP-412-a Application For Real Property Tax Exemption (the "Exemption Application") under Section 412-a of the New York State Real Property Tax Law and Section 874 of the Act and the approval of the Exemption Application by the appropriate assessors or Board of Assessment Review, the Facility shall be exempt from Real Estate Taxes for the periods set forth in Section 1.3 hereof. For purposes of the foregoing "Real Estate Taxes" means all general levy real estate taxes levied against the Facility by the Town, County and School. The Company shall provide to the Agency with the information necessary for the completion and filing of the Exemption Application and shall provide such additional information and take such actions as are required by the appropriate assessors or Board of Assessment Review to process and approve the Exemption Application. Notwithstanding anything contained herein or in the Leaseback Agreement to the contrary, in the event the exemption from Real Estate Taxes is denied for any reason, the Company shall pay (and hereby agrees to pay) all Real Estate Taxes levied upon the Facility as they become due. After giving written notice to the Agency, the Company may in good faith contest the denial of the Exemption Application, provided that (i) the overall operating efficiency of the Facility is not impaired and the Facility continues to qualify as a "project" under the Act; (ii) neither the Facility nor any part of or interest in it would be in any danger of being sold, forfeited or lost; or (iii) neither the Company nor the Agency, as a result of such contest, shall be in any danger of any civil or criminal liability. The Company hereby waives any claim or cause of action against the Agency, and releases the Agency from any liability to the Company, arising from the denial of an exemption from Real Estate Taxes except to the extent that such denial results solely from the failure of the Agency to file the Exemption Application with the appropriate assessors or Board of Assessment Review by the Taxable Status Date.

B. Payee. As long as the Agency has fee title to or leasehold or other interest in the Facility, the Company agrees to pay annually to the Affected Tax Jurisdictions as a payment-in-lieu-of-taxes, on or before October 1 of each calendar year for School taxes and on or before January 1 of each calendar year for County and City taxes (collectively, the "Payment Date"), commencing on October 1, 2023 and January 1, 2024, respectively, an amount equal to the PILOT Payment, as described on Schedule A attached hereto.



The parties agree and acknowledge that payments made hereunder are to obtain revenues for public purposes, and to provide a revenue source that the Affected Tax Jurisdictions would otherwise lose because the subject parcels are not on the tax rolls.

1.2 Allocation. To the extent the Agency receives any PILOT Payment, the Agency shall remit to the Affected Tax Jurisdictions amounts received hereunder within thirty (30) days of receipt of said payment and shall allocate said payments among the Affected Tax Jurisdictions in the same proportion as ad valorem taxes would have been allocated but for the Agency's involvement, unless the Affected Tax Jurisdictions have consented in writing to a specific allocation.

1.3 Tax Rates. For purposes of determining the allocation of the Total PILOT Payment among the Affected Tax Jurisdictions, the Agency shall use the last tax rate utilized for levy of taxes by each such jurisdiction. For County, Town and special district purposes, the tax rates used to determine the allocation of the Total PILOT Payment shall be the tax rates relating to the calendar year which includes the PILOT payment due date. For school district purposes, the tax rates used to determine the PILOT payment shall be the rate relating to the school year which includes the PILOT payment due date.

1.4 Valuation of Future Additions to the Facility: If there shall be a future addition to the Facility constructed or added in any manner after the date of this PILOT Agreement, other than the Project, the Company shall notify the Agency of such future addition ("Future Addition"). The notice to the Agency shall contain a copy of the application for a building permit, plans and specifications, and any other relevant information that the Agency may thereafter request. Upon the earlier of substantial completion, or the issuance of a certificate of occupancy for any such Future Addition to the Facility, the Company shall become liable for payment of an increase in the Total PILOT Payment. The Agency shall notify the Company of any proposed increase in the Total PILOT Payment related to such Future Addition. If the Company shall disagree with the determination of assessed value for any Future Additions made by the Agency, then and in that event that valuation shall be fixed by a court of competent jurisdiction. Notwithstanding any disagreement between the Company and the Agency, the Company shall pay the increased PILOT payment until a different Total PILOT Payment shall be established. If a lesser Total Annual Payment is determined in any proceeding or by subsequent agreement of the parties, the Total PILOT Payment shall be re-computed and any excess payment shall be refunded to the Company or, in the Agency's sole discretion, such excess payment shall be applied as a credit against the next succeeding PILOT payment(s).

1.5 Period of Benefits. The tax benefits provided for herein should be deemed to include (i) the 2023/2024 School tax year through the 2032/2033 School tax year, and (ii) the 2024 County and City tax year through the 2033 County and City tax year. This PILOT Agreement shall expire on **December 31, 2033**; provided, however, the Company shall pay the 2033/2034 School tax bills and the 2034 County and City tax bills on the dates and in the amounts as if the Agency were not in title on the tax status date with respect to said tax years. In no event shall the Company be entitled to receive tax benefits relative to the Facility for more than the periods provided for herein, unless the period is extended by amendment to this PILOT Agreement executed by both parties after any applicable public hearings. The Company agrees

that it will not seek any tax exemption for the Facility which could provide benefits for more than the periods provided for herein and specifically agrees that the exemptions provided for herein, to the extent actually received (based on the number of lease years elapsed), supersede and are in substitution of the exemptions provided by Section 485-b of the New York Real Property Tax Law ("RPTL"). It is hereby agreed and understood that the Affected Tax Jurisdictions can rely upon and enforce the above waiver to the same extent as if they were signatories hereto.

## Section II - Special Assessments and Service Charges.

2.1 Special district charges, special assessments, and special ad valorem levies (specifically including but not limited to fire district charges), and pure water charges and sewer charges are to be paid in full in accordance with normal billing practices.

## Section III - Transfer of Facility.

3.1 In the event that the Facility is transferred from the Agency to the Company (the lease/leaseback agreements are terminated), and the Company is ineligible for a continued tax exemption under some other tax incentive program, or the exemption results in a payment to the Affected Tax Jurisdictions in excess of the payment described in Section I herein, or this PILOT Agreement terminates and the property is not timely transferred back to the Company, the Company agrees to pay no later than the next tax lien date (plus any applicable grace period), to each of the Affected Tax Jurisdictions, an amount equal to the taxes and assessments which would have been levied on the Facility if the Facility had been classified as fully taxable as of the date of transfer or loss of eligibility of all or a portion of the exemption described herein or date of termination.

## Section IV - Assessment Challenges.

4.1 The Company shall have all of the rights and remedies of a taxpayer as if and to the same extent as if the Company were the owner of the Facility, with respect to any proposed assessment or change in assessment with respect to the Facility by any of the Affected Tax Jurisdictions and likewise shall be entitled to protest before and be heard by the appropriate assessors or Board of Assessment Review, and shall be entitled to take any and all appropriate appeals or initiate any proceedings to review the validity or amount of any assessment or the validity or amount of any tax equivalent provided for herein.

4.2 The Company shall have all of the rights and remedies of a taxpayer with respect to any tax, service charge, special benefit, ad valorem levy, assessment, or special assessment or service charge in lieu of which the Company is obligated to make a payment pursuant to this PILOT Agreement, as if and to the same extent as if the Company were the owner of the Facility.

4.3 The Company shall (i) cause the appropriate real estate tax assessment office and tax levy officers to assess the Facility and apply tax rates to the respective assessments as if the Facility were owned by the Company, (ii) file any accounts or tax returns required by the appropriate real estate tax assessment office and tax levy officers.

## Section V - Changes in Law.

5.1 To the extent the Facility is declared to be subject to taxation or assessment by an amendment to the Act, other legislative change, or by final judgment of a Court of competent jurisdiction, the obligations of the Company hereunder shall, to such extent, be null and void.

## Section VI - Events of Default and Remedies.

6.1 The following shall constitute "Events of Default" hereunder. The failure by the Company to: (i) make the payments described in Section I within thirty (30) days of the Payment Date (the "Delinquency Date"); provided the Company has received notice of the amounts due and the due date for the same; (ii) make any other payments described herein on or before the last day of any applicable cure period within which said payment can be made without penalty; or (iii) the occurrence and continuance of any events of default under the Leaseback Agreement after any applicable cure periods. Upon the occurrence of any Event of Default hereunder, in addition to any other right or remedy the Agency and/or the Affected Tax Jurisdictions may have at law or in equity, the Agency and/or Affected Tax Jurisdictions may, immediately and without further notice to the Company (but with notice to the Agency with respect to actions maintained by the Affected Tax Jurisdictions) pursue any action in the courts to enforce payment or to otherwise recover directly from the Company any amounts so in default. The Agency and the Company hereby acknowledge the right of the Affected Tax Jurisdictions to recover directly from the Company any amounts so in default pursuant to Section 874(6) of the General Municipal Law and the Company shall immediately notify the Agency of any action brought, or other measure taken, by any Affected Tax Jurisdiction to recover any such amount.

6.2 If payments pursuant to Section I herein are not made by the Delinquency Dates, or if any other payment required to be made hereunder is not made by the last day of any applicable cure period within which said payment can be made without penalty, the Company shall pay penalties and interest as follows. With respect to payments to be made pursuant to Section I herein, if said payment is not received by the Delinquency Date defined in Section 6.1 herein, Company shall pay, in addition to said payment, (i) a late payment penalty equal to five percent (5%) of the amount due and (ii) for each month, or any part thereof, that any such payment is delinquent beyond the first month, interest on the total amount due plus the late payment penalty, in an amount equal to one percent (1%) per month. With respect to all other payments due hereunder, if said payment is not paid within any applicable cure period, Company shall pay, in addition to said payment, the greater of the applicable penalties and interest or penalties and interest which would have been incurred had payments made hereunder been tax payments to the Affected Tax Jurisdictions.

6.3 Upon the occurrence of an Event of Default hereunder, the liability of the Company hereunder shall be all amounts due pursuant to Section I hereof through, but not including, the date on which the Facility is no longer exempt from Real Estate Taxes together will all other amounts due pursuant to Section 6.2 hereof and clause (a) of Section 7 of the PILOT Mortgage (as hereinafter defined).

6.4 Subject to the rights of the mortgagees set forth in Section VIII below, whenever any Event of Default under Section 6.1 hereof shall have occurred and be continuing with respect to this PILOT Agreement, the remedies of the Agency shall be limited to the rights hereunder, under the Leaseback Agreement and under the PILOT Mortgage, subject to the rights of any lenders to cure any such Event of Default as set forth in Section VIII hereof.

Section VII - Assignment.

7. No portion of any interest in this PILOT Agreement may be assigned by the Company, nor shall any person other than the Company be entitled to succeed to or otherwise obtain any benefits of the Company hereunder without the prior written consent of the Agency, which shall not be unreasonably withheld or delayed.

Section VIII – Rights of Mortgagees.

8.1 For the purposes of this PILOT Agreement, the term “mortgages” shall include any mortgage, leasehold mortgage, purchase money mortgage or other security instrument or instruments encumbering the Facility, such as, without limitation, mortgages, deeds of trust, financing statements, assignments of leases, rents and/or profits, security agreements and other documentation which a mortgage may require, and the terms “holder of a mortgage” and “mortgage” shall mean the secured party under any of the foregoing instruments. ANY MORTGAGE SHALL BE A LIMITED, NON-RECOURSE OBLIGATION OF THE AGENCY AND SHALL IN NO EVENT REQUIRE THE PAYMENT BY THE AGENCY TO ANY PARTY OF ANY AMOUNT INCLUDING, BUT NOT LIMITED TO, PRINCIPAL, INTEREST OR ANY OTHER AMOUNT SECURED BY ANY SUCH MORTGAGE.

8.2 So long as the mortgage shall remain unsatisfied of record or until written notice of satisfaction is given by the Mortgagee to the Agency, the following provisions shall, subject to and unless otherwise prohibited by all applicable law including, but not limited to, the Act, apply (in respect of such mortgage and of any other mortgages which also comply with the above):

(a) There shall be no renewal, cancellation, surrender, acceptance of surrender, amendment or modification of this PILOT Agreement, or the PILOT Mortgage by joint action of the Agency and the Company along, without, in each case, the prior consent in writing of the Mortgagee, nor shall any merger result from the acquisition by, or devolution upon, any one entity of any fee and/or leasehold estates in the Facility.

(b) The Agency shall, at no cost to the Agency and at the sole cost of the Company, upon receipt of any notice or other communication, whether of default or any other matter, simultaneously serve a copy of such notice upon the Mortgagee, and no such notice of other communication to the Company shall be deemed received unless a copy is so served upon the Mortgagee in the manner provided in this PILOT Agreement for the giving of notice.

(c) Notwithstanding anything to the contrary herein, if the Agency serves a notice of default upon the Company, it shall, at no cost to the Agency and at the sole cost of the Company, also serve a copy of such notice upon the Mortgagee at the address set forth in Section 9.2 hereof.

(d) In the event of any default by the Company under this PILOT Agreement, the Mortgagee shall have fifteen (15) days for a monetary default and thirty (30) days in the case of any other default, after notice to the Mortgagee of such default (which notice shall be given in the manner set forth in Section 9.2 below), to cure or to cause to be cured the default complained of and the Agency shall accept such performance by or at the instigation of the Mortgagee as if same had been done by the Company. Each notice of default given by the Agency will state the amounts of any payments herein provided that are then claimed to be in default.

(e) If, before the expiration of the Mortgagee's cure period as provided in paragraph (3) above, the Mortgagee shall have notified the Agency in writing of its agreement to pay or cause to be paid, within fifteen (15) days after the expiration of mortgagor's cure period, all payments in this PILOT Agreement provided for and then in default, and/or in the case of non-monetary defaults, shall have agreed within forty-five (45) days to commence or cause to be commenced the cure of such non-monetary defaults, if any are then in default (other than defaults which by their nature cannot be cured), and shall prosecute or cause the prosecution of same to completion with reasonable diligence (collectively, the "extended cure period"), then the Agency shall not exercise any of its rights and remedies hereunder or under the PILOT Mortgage until expiration of the extended cure period.

(f) The Company (and not the Agency) shall give the Mortgagee notice of any arbitration or other proceeding or dispute by or between the parties hereto, and shall have the right to intervene therein and be made a party to any such arbitration or other proceeding.

(g) Except where the Mortgagee has succeeded to the interest of the Company in the Facility or assumed the right to cure as provided in this Section VIII, no liability for any payments to be made pursuant to this PILOT Agreement or the performance of any of the Company's covenants and agreements under this PILOT Agreement shall attach to or be imposed upon the Mortgagee, and if the Mortgagee or its nominee or designee succeeds to the interest of the Company in the Facility, all of the obligations and liabilities of the Mortgagee or its nominee or designee shall be limited to such entity's interest in the Facility and as otherwise imposed by this PILOT Agreement and shall cease and terminate upon assignment of this PILOT Agreement (any such further assignment to be approved by the Agency).

(h) Notwithstanding any provision of this PILOT Agreement, the Lease Agreement, the Leaseback Agreement or the PILOT Mortgage to the contrary, foreclosure of a mortgage or any sale of the Company's interest in this PILOT Agreement and/or the Facility in connection with a foreclosure, whether by judicial proceedings, or any conveyance of the Company's interest in this PILOT Agreement and/or the Facility to the Mortgagee or its nominee or designee by virtue of or in lieu of foreclosure or other appropriate proceedings, or any conveyance of the Company's interest in this PILOT Agreement and/or the Facility by the Mortgagee or its

nominee or designee, shall not require the consent or approval of the Agency and shall not be a default or Event of Default hereunder.

Section IX -- Miscellaneous.

9.1 This PILOT Agreement may be executed in any number of counterparts each of which shall be deemed an original but which together shall constitute a single instrument.

9.2 All notices, claims and other communications hereunder shall be in writing and shall be deemed to be duly given if personally delivered or mailed first class, postage prepaid, as follows:

To the Agency: Niagara County Industrial Development Agency  
6311 Inducon Corporate Drive, Suite One  
Sanborn, New York 14132-9099  
Attn: Executive Director

With Copy To: Gabriele & Berrigan, P.C.  
800 Main Street, 4<sup>th</sup> Floor  
Niagara Falls, New York 14302  
Attention: Mark J. Gabriele, Esq.

To the Company: Lockport Schools Federal Credit Union  
360 S. Transit Street  
Lockport, New York 14094  
Attn: Tammy Dodge, Manager

With Copy To: Rupp Baase, Pfalzgraf, Cunningham Attorneys  
1600 Liberty Building  
424 Main Street  
Buffalo, New York 14202

or at such other address as any party may from time to time furnish to the other party by notice given in accordance with the provisions of this Section. All notices shall be deemed given when mailed or personally delivered in the manner provided in this Section.

9.3 This PILOT Agreement shall be governed by, and all matters in connection herewith shall be construed and enforced in accordance with, the laws of the State of New York applicable to agreements executed and to be wholly performed therein and the parties hereto hereby agree to submit to the personal jurisdiction of the federal or state courts located in Niagara County, New York.

9.4 Notwithstanding any other term or condition contained herein, all obligations of the Agency hereunder shall constitute a special obligation payable solely from the revenues and other monies, if any, derived from the Facility and paid to the Agency by the Company. Neither member of the Agency nor any person executing this PILOT Agreement on its behalf shall be liable personally under this PILOT Agreement. No recourse shall be had for the payment of the principal or interest on amounts due hereunder or for any claim based upon or in respect of any modification of or supplement hereto against any past, present or future member, officer, agent, servant, or employee, as such, of the Agency, or of any successor or political subdivision, either directly or through the Agency or any such successor, all such liability of such members, officer, agents, servants and employees being, to the extent permitted by law, expressly waived and released by the acceptance hereof and as part of the consideration for the execution of this PILOT Agreement.

9.5 The Company hereby agrees that it shall, as security for its obligations hereunder, grant to the Affected Tax Jurisdictions a mortgage lien on the Facility pursuant to a certain PILOT Mortgage, dated as of September 1, 2022, from the Company and the Agency to the Agency, for the benefit of the Affected Tax Jurisdictions (the "PILOT Mortgage"), which PILOT Mortgage shall constitute a priority mortgage lien on and security interest in the Facility.

*[Remainder of Page Intentionally Left Blank]*

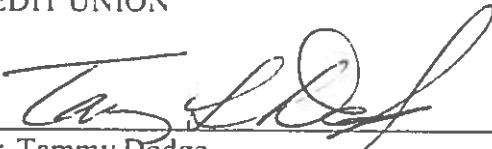
[Signature Page to PILOT Agreement]

IN WITNESS WHEREOF, the parties hereto have executed this PILOT Agreement as of the day and year first above written.

NIAGARA COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY

By:   
Name: Susan C. Langdon  
Its: Executive Director

LOCKPORT SCHOOLS FEDERAL  
CREDIT UNION

By:   
Name: Tammy Dodge.  
Title: Manager



**SCHEDULE A**

**TO PILOT AGREEMENT, DATED AS OF SEPTEMBER 1, 2022 BETWEEN  
NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
AND  
LOCKPORT SCHOOLS FEDERAL CREDIT UNION**

Pursuant to the terms of Section 1.2 of this PILOT Agreement, Total PILOT Payment shall mean an amount per annum as follows:

<b><u>PILOT Year</u></b>	<b><u>School Tax Year</u></b>	<b><u>County and City Tax Year</u></b>	<b><u>Percentage of Normal Tax</u></b>
Year 1	2023/24	2024	20%
Year 2	2024/25	2025	25%
Year 3	2025/26	2026	30%
Year 4	2026/27	2027	35%
Year 5	2027/28	2028	40%
Year 6	2028/29	2029	45%
Year 7	2029/30	2030	50%
Year 8	2030/31	2031	55%
Year 9	2031/32	2032	60%
Year 10	2032/33	2033	65%
Year 11 and thereafter	2033/34	2034	100%

The payments in lieu of taxes to be paid by the Company to the Affected Tax Jurisdiction pursuant to the terms of this Payment-in-Lieu-of-Tax Agreement shall be computed separately for each Affected Tax Jurisdiction as follows:

1. First, determine the amount of general taxes and general assessments (hereinafter referred to as the "Normal Tax") which would be payable to each Affected Tax Jurisdiction if the Land was owned by the Company and not the Agency by multiplying the (a) Assessed Value of the Land as determined by the appropriate Assessor by (b) the tax rate or rates of such Affected Tax Jurisdiction that would be applicable to the Land if the Land were owned by the Company and not the Agency.
2. In each tax year during the term of this PILOT Agreement, commencing on the first tax year following the date on which the Land shall be assessed as exempt on the assessment roll of any Affected Tax Jurisdiction, the amount payable by the Company to the Affected Tax Jurisdiction as a payment in lieu of property tax with respect to the Land shall be an amount equal to 100% of the Normal Tax due each Affected Tax Jurisdiction with respect to the Land for such tax year.

3. Next, determine the Normal Tax which would be payable to each Affected Tax Jurisdiction if the Improvements and any portion of the Equipment assessable as real property were owned by the Company and not the Agency by multiplying the (a) Assessed Value of the Improvements and such assessable Equipment as determined by the appropriate Assessor by (b) the tax rate or rates of such Affected Tax Jurisdiction that would be applicable to the Improvements and such assessable Equipment if the Improvements and such assessable Equipment was owned by the Company and not the Agency.
4. In each tax year during the term of this PILOT Agreement, commencing on the first tax year following the date on which the Improvements and such assessable Equipment shall be assessed as exempt on the assessment roll of any Affected Tax Jurisdiction, the amount payable by the Company to the Affected Tax Jurisdiction as a payment in lieu of property tax with respect to the Improvements and such assessable Equipment shall be an amount equal to the applicable percentage of the Normal Tax due each Affected Tax Jurisdiction with respect to the Improvements and such assessable Equipment for such tax year, as shown in the table.
5. The Total PILOT Payment to be made by the Company to the Affected Tax Jurisdictions shall equal the sum of Number (2) and Number (4), above, for each tax year during the term of this PILOT Agreement.

AFFIDAVIT UNDER SECTION 255 OF TAX LAW

STATE OF NEW YORK    )  
  ) SS:  
COUNTY OF NIAGARA    )

I, Mark J. Gabriele, a member of the law firm of Gabriele & Berrigan P.C., having offices in Niagara Falls, New York, being duly sworn, depose and say:

1. That Gabriele & Berrigan P.C. is serving as transaction counsel with respect to the execution and delivery of the hereinafter described PILOT Mortgage, and I am familiar with the facts and circumstances set forth herein.

2. That the Niagara County Industrial Development Agency (the "Agency") and Lockport Schools Federal Credit Union (the "Company") have executed a certain PILOT Mortgage, dated as of September 1, 2022 (the "PILOT Mortgage"), to the Niagara County Industrial Development Agency, as Mortgagee, and for the benefit of Niagara County, New York, the City of Lockport, New York and the Lockport City School District, for the purposes of securing the obligations of the Company to make all payments and perform all other obligations of the Company for the benefit of the Agency and the Mortgagee under a certain Payment-in-Lieu-of-Tax Agreement, dated as of September 1, 2022 (the "PILOT Agreement"), by and between the Agency and the Company, concerning the property more fully described on Exhibit A attached hereto.

3. That such PILOT Mortgage does not create or secure any new or further indebtedness or obligation.

4. That such PILOT Mortgage will be recorded simultaneously herewith in the office of the Clerk of Niagara County, New York.

Wherefore, deponent respectively requests that the PILOT Mortgage herewith tendered for recording be declared exempt from taxation pursuant to the provisions of Section 255 of Article 11 of the Tax Law of the State of New York and Section 874 of the General Municipal Law of the State of New York.

  
\_\_\_\_\_  
Mark J. Gabriele

Sworn to me before this  
18th day of September, 2022.

  
\_\_\_\_\_  
Notary Public

W. MAXWELL COYKENDALL  
Notary Public - State of New York  
No. 02CO6013635  
Qualified in Niagara County  
My Commission Expires September 21, 2022