

AUTHORIZING RESOLUTION

At a meeting of the **HERKIMER COUNTY INDUSTRIAL DEVELOPMENT AGENCY**, Herkimer County, New York (the “Agency”), held at 420 E. German Street, Herkimer, New York on the 25th day of July, 2017 at 4:00 p.m., the following members of the Agency were:

Present: Vincent J. Bono, John Piseck, Catherine Ricci, John Scarano,
Michael Werenczak, Dan Reardon

Absent: David Chlus

Also Present: Stephen R. Smith, Stacey Holleran, Anthony G. Hallak and J. Stephen
Reilly

After the meeting had been duly called to order, the Chairman announced that the purpose of the meeting was to consider and take action on certain matters pertaining to Tractor Supply Company (the “Company”).

The following resolution was duly moved, seconded, discussed and adopted with the following members voting:

AYE

NAY

ABSTAINED

*ALL

*NONE

*NONE

RESOLUTION AUTHORIZING THE AGENCY TO EXECUTE ALL RELEVANT CLOSING DOCUMENTS WITH RESPECT TO THE CONVEYANCE OF AN INTEREST IN THE REAL PROPERTY SITUATE IN THE TOWN OF FRANKFORT, COUNTY OF HERKIMER AND STATE OF NEW YORK, THE CONSTRUCTION OF CERTAIN IMPROVEMENTS THEREON, AND THE ACQUISITION OF PERSONAL PROPERTY TO BE ACQUIRED AND LOCATED THEREAT (COLLECTIVELY, THE “FACILITY”); TO ASSIST THE COMPANY WITH FINANCIAL ASSISTANCE, LEASING SAID FACILITY TO AGENCY THROUGH A LEASE AGREEMENT AND THROUGH SALES TAX EXEMPTIONS AND REAL PROPERTY TAX ABATEMENTS; TO ADDRESS ENVIRONMENTAL ISSUES AND TO PROVIDE FOR INDEMNIFICATION OF THE AGENCY ON SUCH ISSUES RELATING TO THE FACILITY THROUGH THE EXECUTION OF AN ENVIRONMENTAL COMPLIANCE AND INDEMNIFICATION AGREEMENT WITH THE COMPANY

(THE “ECIA”); TO LEASEBACK SAID FACILITY TO THE COMPANY; AND TO JOIN WITH THE COMPANY IN THE EXECUTION OF A PROJECT GRANT (IF NECESSARY); TO PROVIDE FOR A RECAPTURE AGREEMENT RELATING TO THE CREATION OF JOBS AND MAKING CERTAIN FINDINGS AND DETERMINATIONS WITH RESPECT TO THE PROJECT.

WHEREAS, Tractor Supply Company (the “Company”) has requested that the Agency undertake a project (the “Project”) consisting of the following: (A) (1) the acquisition of an interest in an approximately 142 acre parcel of land located in the Route 5S Business Park in the Town of Frankfort, New York and more particularly described in **Exhibit A** attached hereto and made a part hereof (the “Land”), (2) the construction on, under and over the Land of an approximately 930,500 square foot warehouse and distribution center, with potential expansion at the Company's option up to 1,230,000 square feet, and related facilities and improvements, including without limitation, offices, a water tank, electric transformers and parking for vehicles and truck trailers (collectively, the “Improvements”) and (3) the acquisition and installation of machinery, equipment and other personal property (the “Equipment”) in, on, around, over and under the Improvements and the Land (the Land, the Improvements and the Equipment being collectively referred to as the “Facility”); (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the General Municipal Law) with respect to the foregoing, including potential exemptions from sales taxes, real property transfer taxes and exemptions from real property taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) of the Facility to Agency and leaseback of the Facility to the Company or such other person as may be designated by the Company and agreed upon the Agency; and

WHEREAS, the Company will lease the Facility to the Agency pursuant to Article 18A of the General Municipal Law of the State of New York, and Chapter 410 of the Laws of 1970 of the State of New York, as may be amended from time to time (collectively the “Act”) and the Agency will lease the Facility back to the Company pursuant to a Leaseback Agreement (the “Leaseback Agreement”); and

WHEREAS, the Company will construct and equip the Facility as agent of the Agency; and

WHEREAS, the Act authorizes and empowers the Agency to promote, develop, encourage and assist projects such as the Facility and to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York; and

WHEREAS, representations made by the Company in their Application for Financial Assistance support the finding that the Project will promote employment opportunities in the area served by the Agency; and

WHEREAS, in order to induce the Company to develop the Facility, the Agency is willing to sell the Land to the Company, to take a leasehold interest in the Land, Improvements and Equipment pursuant to the terms and conditions contained in the Lease Agreement and to lease the Land, Improvements and Equipment back to the Company pursuant to the terms of the Leaseback Agreement; and

WHEREAS, the Agency will provide the Financial Assistance to the Company including, exemptions from sales and use taxes, abatements from real property taxes and assisting in the procurement of grant money; and

WHEREAS, on May 1, 2017 the Agency afforded a 90 Day Notice for the State of New York Authority Budget Office, the Comptroller for the State of New York, the Director of the Budget for the State of New York, the Temporary President of the NYS Senate, the Speaker of the NYS Assembly and Commission of the New York State Office of General services, which Notice was supplemented on May 5, 2017; and

WHEREAS, prior to the closing of a lease-leaseback transaction, and the granting of any tax benefits, a public hearing (the "Hearing") was held so that all persons with views in favor of or opposed to either the Financial Assistance contemplated by the Agency, or the location or nature of the Facility, could be heard; and

WHEREAS, notice of the Hearing was given prior to the closing of a lease-leaseback transaction, and the granting of any tax benefits, and such notice (together with proof of publication) was in the form annexed hereto as **Exhibit B**; and

WHEREAS, the minutes of the Hearing are or will be annexed hereto as **Exhibit C**; and

WHEREAS, on May 23, 2017, Notice was given to each of the taxing jurisdictions affected by the project of the intent to deviate from the Agency's Uniform Tax Exemption Policy in the form attached hereto as **Exhibit D**; and

WHEREAS, the Agency has given due consideration to the application of the Company and to representations by the Company that the proposed lease-leaseback transaction is either and inducement to the Company to locate and construct the Facility in the County or is necessary to maintain the competitive position of the Company in its industry; and

WHEREAS, to aid the Agency in determining whether the Facility may have a significant effect upon the environment, the Agency has reviewed the negative declaration issued by the Town Board of the Town of Frankfort, New York, as lead agency under the State Environmental Quality Review Act dated April 24, 2017, a copy of which is on file as the office of the Agency;

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

Section 1. The Agency hereby finds and determines:

- (a) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes of the Act and to exercise all powers granted to it under the Act; and
- (b) The Facility constitutes a "project," such as that term is defined in the Act; and
- (c) The sale of the Land to the Company, the acquisition, construction and equipping of the Facility, and the leasing of the Facility to the Company will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of Herkimer County and the State of New York and improve their standard of living and thereby serve the public purposes of the Act; and
- (d) The acquisition, construction and equipping of the Facility are reasonably necessary to induce the Company to locate and construct the Facility in the State of New York; and
- (e) Based upon representations of the Company, the Facility conforms with the local zoning laws and planning regulations of Herkimer County and all regional and local use plans for the area in which the Facility is located; and
- (f) It is desirable and in the public interest for the Agency to sell the Land to the Company, acquire a leasehold interest in the Facility and lease the Facility back to the Company; and
- (g) The Lease is an effective instrument whereby the Company conveys a leasehold interest to the Agency; and
- (h) The Leaseback Agreement is an effective instrument whereby the Company leases the Facility from the Agency; and
- (i) Based upon the materials submitted by the Company and the review of the Negative Declaration by the Town Board of the Town of Frankfort and the Agency's knowledge of the Project, the Facility will result in no adverse environmental impacts.

Section 2. In furtherance of Purchase, Sale and Development Agreement and consistent with the Uniform Tax Exemption Policy, the Agency hereby determines to deviate from its policy with regard to real property tax abatements for the following reasons:

- (a) The lands are currently lying fallow and are exempt from real property taxes assessed for special use and/or district charges;

- (b) The construction and equipping of a 930,000 square foot facility with potential expansion is the largest project in Herkimer County in over 20 years. The Project has the ability to add up to 350 jobs, exclusive of spin off industry and employment;
- (c) The tax revenue generated 3 years after the issuance of a certificate of occupancy for the first phase of the Facility will be in an estimated amount of \$4,917,000+ in years 4-10 of the PILOT. Commencing in year 11 it is expected to rise to \$1,788,143 per year. The revenue will be a significant cash inflow to the affected jurisdictions as well as derivative sales tax in the community;
- (d) Based upon the materials submitted by the Company, the Facility will produce significant and substantial economic and community benefit to Herkimer County within the meaning of the Agency's Uniform Tax Exemption Policy;
- (e) The incentive is a fundamental component to induce the acquisition, constructing and equipping of the Facility as well as create jobs as heretofore described.

Section 3. In furtherance of Section 2895 et seq. of Title 5-A of the Public Authorities Law (the "PAL"), the Agency has negotiated the terms of the disposition of the Land and such disposition furthers an economic development interest of the State of New York and County of Herkimer and is within the purpose of the Act. The Agency afforded Notice of Disposal of Public Authority Property under Section 2897 of the PAL (the "PAL Notice"), and the Agency has received no objection thereto. The Agency has considered the information provided in the PAL Notice and the Agency hereby finds that there is no reasonable alternative to the proposed below market transfer of the Land to the Company that would achieve the same purpose as such transfer. The Agency further finds that the Agency has complied with the provisions of Section 2897 of the PAL so long as the transfer of the Land to the Company does not occur prior to August 1, 2017.

Section 4. In consequence of the foregoing, the Agency hereby determines to proceed with the Project, to sell the Land to the Company, to acquire a leasehold interest in the Facility from the Company and to lease the Facility back to the Company and to execute and deliver a deed to the Company, the Lease Agreement and a memoranda thereof, the Leaseback Agreement and memoranda thereof, the ECIA, the PILOT Agreement, the Recapture Agreement, the Section 875 General Municipal Law Recapture Agreement, the Grant Agreement and all related documents reasonable and necessary or desirable to fulfill the intent of this resolution and the Financial Assistance proffered by the Agency as well as the County of Herkimer and State of New York (collectively the Closing Documents) and to do all things necessary or desirable to accomplish the foregoing. All acts heretofore taken by the officers and employees of the Agency with respect to the Project are hereby ratified and confirmed.

Section 5. The form and substance of the Closing Documents (each in substantially the forms presented to the Agency and which, prior to the execution and delivery thereof, may be redated) are hereby approved.

Section 6.

- (a) The Chairman, Vice Chairman, Secretary or any member of the Agency and the Executive Director, Stephen Smith, are hereby authorized, on behalf of the Agency, to execute and deliver the closing documents, all in substantially the forms thereof presented to this meeting with such changes, variations, omissions and insertions as the Chairman, Vice Chairman, Secretary, Executive Director or any member of the Agency shall approve, and such other related documents as may be, in the judgment of the Chairman and Agency Counsel, necessary or appropriate to effect the transactions contemplated by this resolution. The execution thereof by the Chairman, Vice Chairman, Executive Director or any member of the Agency shall constitute conclusive evidence of such approval.
- (b) The Chairman, Vice Chairman, Secretary or member of the Agency and the Executive Director, Stephen Smith are further hereby authorized, on behalf of the Agency, to designate any additional Authorized Representatives of the Agency (as defined in and pursuant to the Lease Agreement).

Section 7. 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 or provided for by the provisions of the Closing Documents, and to execute and deliver all such additional certificates, instruments and documents, 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 resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Closing Documents binding upon the Agency.

[illegible]

I, **STACEY HOLLERAN**, the undersigned Assistant Secretary of the Herkimer County Industrial Development Agency, DO HEREBY CERTIFY:

That I have compared the annexed extract of the minutes of the meeting of the Herkimer County Industrial Development Agency (the "Agency"), including the resolutions contained therein, held on the 25th day of July, 2017 with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolutions set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

That the Closing Documents contained in this transcript of proceedings are each in substantially the substance presented to the Agency and/or approved by said meeting.

I FURTHER CERTIFY that (i) all members of the Agency had due notice of said meeting, (ii) pursuant to Sections 103a and 104 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public and public notice of the time and place of said meeting was duly given in accordance with such Sections, (iii) the meeting in all respects was duly held, and (iv) there was a quorum present throughout.

IN WITNESS WHEREOF, I have hereunto set my hand as of this 25th day of July, 2017.

**HERKIMER COUNTY INDUSTRIAL
DEVELOPMENT AGENCY**

Stacy Holleran

Stacey Holleran, Assistant Secretary

EXHIBIT A

Legal Description

All of that tract or parcel of land situate in the Town of Frankfort, County of Herkimer and State of New York being more particularly described as follows:

Beginning at an iron rod found at the intersection of the southerly line of Higby Road and the westerly line of Ring Road running thence along the westerly line of Ring Road the following nineteen courses; S00°50'58"E 257.91', a curve to the left having a radius of 780.00' and a chord of S06°25'01"E 151.35' an arc length of 151.59', S75°19'26"W 10.02', S14°40'34"E 10.00', N75°19'26"E 9.81', a curve to the left having a radius of 780.00' and a chord of S13°15'32"E 14.68' an arc length of 14.68', a curve to the left having a radius of 295.00' and a chord of S18°53'54"E 52.45' an arc length of 52.52', a curve to the left having a radius of 640.00' and a chord of S32°15'51"E 184.01' an arc length of 184.65', S49°01'21"W 10.02', S40°58'39"E 10.00', N49°01'21"E 10.02', a curve to the left having a radius of 640.00' and a chord of S46°00'09"E 102.15' an arc length of 102.26', S50°26'03"E 330.39', a curve to the right having a radius of 240.00' and a chord of S30°52'17"E 161.87' an arc length of 165.11', S80°01'50"W 9.95', S09°58'10"E 10.00', N80°01'50"E 9.95', on a curve to the right having a radius of 240.00' and a chord of S11°48'22"W 168.41' an arc length of 172.07', and S32°15'29"W 30.70', thence through the lands of Herkimer County IDA and crossing Ring Road on a cul-de sac having a radius of 60.00' and a chord of S58°50'41"E 59.87' an arc length of 314.31' to the southwest corner of the lands of Cobblecote Associates, LLC thence along the southerly line of Cobblecote Associates, LLC S57°48'52"E 670.45' to an iron rod found and along the easterly line of the lands of Cobblecote Associates, LLC N32°11'08"E 353.53' to an iron rod set in the westerly line of New York State Route 5, thence along the westerly line of New York State Route 5 the following six courses; S20°08'55"E 277.92', S01°37'03"E 48.39', N31°47'14"E 45.00', S20°05'39"E 816.84' to a granite monument, S29°24'28"E 80.44' and S27°57'36"E 154.92' to an iron rod found, thence along the northwesterly line of the lands of Cross Properties, Inc. the following eight courses following generally along a stream, S61°31'53"W 145.87', S19°57'39"W 162.15' to an iron rod found, S32°27'39"W 161.00', S57°38'40"W 66.78' to an iron rod found, S57°38'40"W 65.30', S77°38'40"W 128.70', S45°38'40"W 132.00' and S38°52'07"W 363.73' to an iron pipe found in the northerly line of the lands of Mario Restive, thence along the northerly line of the lands of Restive N59°27'03"W 406.93', thence along the southeasterly line of the lands of Mark Nicastro N31°05'56"E 400.37', thence along the northeasterly line of the lands of Nicastro N58°08'16"W 1377.84', thence along the northwesterly line of the lands of Nicastro S31°39'20"W 765.20', thence along the northeasterly line of the lands of Nicastro N58°42'55"W 829.00' thence through the lands of Herkimer County IDA the following three courses; N31°41'35"E 665.89', N27°09'53"W 1482.83' and N31°02'25"E 521.38' to the southerly line of Higby Road thence along the southerly line of Higby Road the following three courses; N87°06'54"E 491.83' to an iron rod set and S89°16'16"E 303.01' crossing the end of Ring Road to an iron rod found and N89°16'50"E 702.68' to the point of beginning, containing 141.857 acres.

EXHIBIT B

Notice of Public Hearing

Proof of Publication

STATE OF NEW YORK)
)ss
County of Oneida)

RECEIVED MAY 15 2017

Patricia Zehr _____ of the City of Utica, in said
county, being duly sworn, says she is the Principal Clerk of the Utica Observer-
Dispatch the Publishers of The Times-Telegram, a daily newspaper printed and
published in the city of Utica, County and State aforesaid, and that an advertisement
of which the attached is a copy, cut from the columns of said paper has been
regularly published in said paper on each of the following dates:

5/12/2017

Patricia Zehr

Sworn to before me this

12th day of May 2017
Theresa B. McFadden
NOTARY PUBLIC ONEIDA CO., N.Y.

THERESA B. MCFADDEN
NOTARY PUBLIC STATE OF NEW YORK
No. 016206303520
Qualified in Madison County
My Commission Expires May 12, 2018

NOTICE OF
PUBLIC HEARING

NOTICE IS HEREBY
GIVEN that a public hear-
ing pursuant to Article 18-A
of the New York State
General Municipal Law (the
"GML"), will be held by the
Herkimer County Industrial
Development Agency (the
"Agency") on the 22nd day
of May 2017, at 10:30 AM,
local time at the Town Hall,
Village of Frankfort, 201
Third Avenue, Frankfort,
Herkimer County, New
York, in connection with
the following matter:

Tractor Supply Company,
a Delaware corporation,
(the "Company") has
requested that the Agency
consider undertaking a
project for the benefit of
the Company as follows: (i)
to provide assistance
through transfer tax, sales
and use tax and real prop-
erty tax exemptions (col-
lectively, the "Assistance")
for the acquiring, con-
structing, equipping, and
financing of the Facility
described below, (ii) to
acquire, construct, equip,
and finance the Facility or
to cause the Facility to be
acquired, constructed,
equipped, and financed;
and (iii) to lease (with an
obligation to purchase) or
sell the Facility to the
Company or such other
person as may be desig-
nated by the Company and
agreed upon by the
Agency, if any portion of
the Assistance being
offered by the Agency is
inconsistent with the
Agency's uniform tax
exemption policy, the
Agency will follow the pro-
cedures for deviation from
such policy in accordance
with the provisions of the
GML.

The Facility will consist of
an approximately 830,500
square foot distribution
center, including offices
and related parking for
vehicles and truck trailers
and, if needed, off-site
improvements, with poten-
tial expansion, at the

Company's option, to
1,230,500 square feet, to
be located on approxi-
mately 142 acres of real
property currently owned
by the Agency at Higby
Road and Route 68 in the
Town of Frankfort, New
York. The acquisition, con-
struction, and equipping of
the Facility (including soft
costs relating thereto) has
an estimated cost of
Seventy Five Million Six
Hundred Thousand Dollars
(\$75,600,000.00) (the
"Project Costs"). The
Facility will be owned and
operated by the Company.

A representative of the
Agency will be at the
above-stated time and
place to review the project
application, and hear com-
ments and accept written
statements from any per-
sons with views in favor of
or opposed to either the
proposed Assistance to
the Company or the loca-
tion or nature of the
Facility. A copy of the
Application filed by the
Company with the Agency
with respect to the Facility,
including an analysis of the
costs and benefits of the
Project, is available for
public inspection during
business hours at the
offices of the Agency. A
transcript or summary
report of the hearing will be
made available to the
members of the Agency.

Additional Information can
be obtained from, and writ-
ten comments may be
addressed to Stephen R.
Smith, Executive Director,
Herkimer County Industrial
Development Agency, 420
E. German Street, Suite
101 A, Herkimer, New York
13360; Telephone 315-886-
3000.

HERKIMER COUNTY
INDUSTRIAL
DEVELOPMENT AGENCY

Date: May 12, 2017
By Stacey J. Holleran
Assistant Secretary
TT: 5/12/2017



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MEMO Advertising Invoice / Statement

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5/12/2017

HERKIMER CO IND. DEVELOPMENT/H
420 E. GERMAN ST.,STE#101A

HERKIMER NY 13350-1049

Affidavit attention of: Stacey Holleran

RECEIVED MAY 15 2017

Account#: 3326647

URN reference: 000602442

Amount Due: \$ 104.32

Tractor Supply Co

DETAILS:

<u>Insertion Date Range</u>	<u>Newspaper</u>	<u>Pricing:</u>	<u>Ad Text begins:</u>
05/12/17 to 05/12/17	Times Telegram	5/12/2017 Cost: \$89.32	NOTICE OF PUBLIC HEARING NOTICE IS HEF
05/12/17 to 05/12/17	Times Telegram	5/12/2017 Affidavit Charge: \$15.00	NOTICE OF PUBLIC HEARING NOTICE IS HEF

THIS IS NOT A BILL - FOR INFORMATION PURPOSES ONLY

EXHIBIT C

Public Hearing Minutes

PUBLIC HEARING MINUTES

**Herkimer County Industrial Development Agency
May 22, 2017
Tractor Supply Company
Town of Frankfort, Town Hall, 201 Third Avenue
Frankfort, NY 13340**

Stephen R. Smith introduced himself as the Executive Director of the Herkimer County Industrial Development Agency and opened the public hearing at 10:30 AM.

Mr. Smith appointed Stacey Holleran to record the minutes of the hearing.

Mr. Smith also introduced Mr. J. Stephen Reilly, Attorney representing Tractor Supply and IDA Attorney Mr. Anthony Hallak.

Then Mr. Smith stated that on May 12, 2017 a Public Hearing notice was published in the legal section of the Times Telegram as well as being posted on the Agency website. The Agency also provided a copy to the CEO of all affected taxing jurisdictions. The following is the published notice:

NOTICE IS HEREBY GIVEN that a public hearing pursuant to Article 18-A of the New York State General Municipal Law (the "GML"), will be held by the Herkimer County Industrial Development Agency (the "Agency") on the 22nd day of May 2017, at 10:30 AM, local time at the Town Hall, Village of Frankfort, 201 Third Avenue, Frankfort, Herkimer County, New York, in connection with the following matter:

Tractor Supply Company, a Delaware corporation, (the "Company") has requested that the Agency consider undertaking a project for the benefit of the Company as follows: (i) to provide assistance through transfer tax, sales and use tax and real property tax exemptions (collectively, the "Assistance") for the acquiring, constructing, equipping, and financing of the Facility described below, (ii) to acquire, construct, equip, and finance the Facility or to cause the Facility to be acquired, constructed, equipped, and financed; and (iii) to lease (with an obligation to purchase) or sell the Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency. If any portion of the Assistance being offered by the Agency is inconsistent with the Agency's uniform tax exemption policy, the Agency will follow the procedures for deviation from such policy in accordance with the provisions of the GML.

The Facility will consist of an approximately 930,500 square foot distribution center, including offices and related parking for vehicles and truck trailers and, if needed, off-site improvements, with potential expansion, at the Company's option, to 1,230,500 square feet, to be located on approximately 142 acres of real property currently owned by the Agency at Higby Road and Route 5S in the Town of Frankfort, New York. The acquisition, construction, and equipping of the Facility (including soft costs relating thereto) has an

estimated cost of Seventy Five Million Six Hundred Thousand Dollars (\$75,600,000.00) (the "Project Costs"). The Facility will be owned and operated by the Company.

A representative of the Agency will be at the above-stated time and place to review the project application, and hear comments and accept written statements from any persons with views in favor of or opposed to either the proposed Assistance to the Company or the location or nature of the Facility. A copy of the Application filed by the Company with the Agency with respect to the Facility, including an analysis of the costs and benefits of the Project, is available for public inspection during business hours at the offices of the Agency. A transcript or summary report of the hearing will be made available to the members of the Agency.

Additional information can be obtained from, and written comments may be addresses to Stephen R. Smith, Executive Director, Herkimer County Industrial Development Agency, 420 E. German Street, Suite 101 A, Herkimer, New York 13350; Telephone 315-866-3000.

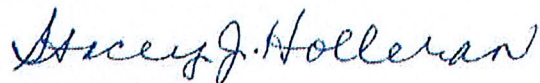
Mr. Smith invited public comments:

Mr. J. Stephen Reilly of Whiteman Osterman & Hanna LLP asked if any written comments were received by the Agency. The reply from Mr. Smith was no.

Mr. Reilly stated they are excited to be taking on this project. The incentive package including the nominal fee for the land was very important in the decision to undertake this project here and they plan to create jobs as specified in the project documents. There has been no pirating and no other Tractor Supply facility will close as a result of this project.

Being no other comment from the public, the public hearing adjourned at 10: 45 AM

Respectfully Submitted,



Stacey J. Holleran
Financial Manager

Attachment: Sign in sheet

ATTENDEES - PUBLIC HEARING
HERKIMER COUNTY INDUSTRIAL DEVELOPMENT AGENCY
TRACTOR SUPPLY COMPANY PROJECT - 10:00 A.M. - MAY 22, 2017
TOWN HALL, TOWN OF FRANKFORT, 201 THIRD AVE., FRANKFORT, NY

NAME

ORGANIZATION

Robert Y. Ricca

Frankfort-Schuyler C.O.

Stacey Holleran

HC IDA

Jim Bono

HC IDA & Log.

Joseph P. Kinnig

TOF

Stephen North

William B. Borden & Associates, LLC
(TSC)

Arthur Halladay

HC IDA

Steve Adams

HC IDA

EXHIBIT D

**Notice(s) of Intent to Deviate from the
Agency's Uniform Tax Exemption Policy**

HERKIMER COUNTY
Industrial Development Agency

420 E. German St., Suite 101A
Herkimer, New York 13350
Telephone: (315) 866-3000
Fax: (315) 866-2976
Website: www.herkimercountyida.org

May 23, 2017

Hon. Bernard Peplinski
Chairman, Herkimer County Legislature
109 Mary Street, Suite 1310
Herkimer, NY 13350

STAFF

STEPHEN R. SMITH
Executive Director

STACEY J. HOLLERAN
Financial Manager

Dear Chairman */Bernie* Peplinski:

BOARD OF DIRECTORS

VINCENT J. BONO
Chairman

DAVID M. CHLUS
Vice Chairman

JOHN SCARANO
Secretary

MICHAEL WERENCZAK
Treasurer

JOHN PISECK, JR.
Director

DANIEL B. REARDON
Director

CATHERINE RICCI
Director

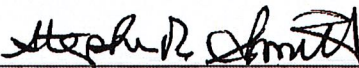
Pursuant to General Municipal Law Section 874(4), the Herkimer County Industrial Development Agency (the "Agency") adopted a Uniform Tax Exemption Policy. Pursuant to that policy the Agency reserved the right, at its sole discretion, to deviate from the policy and standard PILOT schedules, on a case by case basis.

On May 16, 2017 the Agency entered into a contract with Tractor Supply Company for the purchase of lands in construction of a 930,000± facility thereon. That contract contains a condition (see paragraph 7(a)(iii), copy enclosed) wherein the Agency shall enter into a PILOT Agreement permitting the premises to be tax free for the first three (3) years following its issuance of its Certificate of Occupancy, as well as conditions for the first ten (10) years of the project. The PILOT will also have conditions relating to expansion of the project and the recapture of benefits and offsets under the PILOT Agreement.

On May 22, 2017 the Agency conducted a Public Hearing on the matter and each of the affected tax jurisdictions was afforded notice thereof. We had received no objections or negative commentary to the project. In furtherance of General Municipal Law Section 874(4)(B) please treat this communication as NOTICE OF INTENT TO DEVIATE from the Uniform Tax Exemption Policy consistent with the terms of the Agreement of Purchase, Sale and Development between the Agency and Tractor Supply Company.

Sincerely,

HERKIMER COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

By: 
Stephen R. Smith, Executive Director

Enc.

Copy by email:
Anthony Hallak
V. James Bono



420 E. German St., Suite 101A
Herkimer, New York 13350
Telephone: (315) 866-3000
Fax: (315) 866-2976
Website: www.herkimercountyida.org

May 23, 2017

STAFF

STEPHEN R. SMITH
Executive Director

STACEY J. HOLLERAN
Financial Manager

Hon. Joseph P. Kinney, Supervisor
Town of Frankfort
201 Third Avenue
Frankfort, NY 13340

Dear Supervisor ^{/Joe} Kinney:

BOARD OF DIRECTORS

VINCENT J. BONO
Chairman

DAVID M. CHLUS
Vice Chairman

JOHN SCARANO
Secretary

MICHAEL WERENCZAK
Treasurer

JOHN PISECK, JR.
Director

DANIEL B. REARDON
Director

CATHERINE RICCI
Director

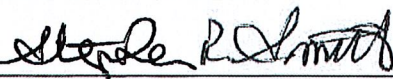
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V. James Bono



HERKIMER COUNTY

Industrial Development Agency

420 E. German St., Suite 101A
Herkimer, New York 13350
Telephone: (315) 866-3000
Fax: (315) 866-2976
Website www.herkimercountynyida.org

May 23, 2017

Mr. Robert F. Reina, Superintendent
Frankfort Schuyler Central School District
605 Palmer Street
Frankfort, NY 13340

STAFF

STEPHEN R. SMITH
Executive Director

STACEY J. HOLLERAN
Financial Manager

Dear Mr. Reina:

BOARD OF DIRECTORS

VINCENT J. BONO
Chairman

DAVID M. CHLUS
Vice Chairman

JOHN SCARANO
Secretary

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Treasurer

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CATHERINE RICCI
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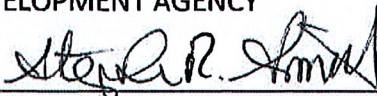
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Sincerely,

HERKIMER COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

By: 

Stephen R. Smith, Executive Director

Enc.

Copy by email:
Anthony Hallak
V. James Bono

terms and conditions of either of the grants referred to in Section 13 hereof), or for no reason, Purchaser may, by delivering notice in accordance with Section 19 hereof to Seller on or before the expiration of the Inspection Period, terminate this Agreement. In the event that the Purchaser so terminates this Agreement, the Escrow Agent shall disburse \$100.00 from the proceeds of the Earnest Money to the Seller and shall disburse the balance of the Earnest Money to the Purchaser.

6. Costs and Prorations. (a) Purchaser shall pay for all costs of any environmental reports obtained pursuant to Section 11 hereof, the cost an abstract of title (if Purchaser obtains an such an abstract), the Survey obtained by Purchaser pursuant to Section 10 hereof and the costs of any Property Reports obtained by Purchaser pursuant to Section 13 hereof. Seller shall pay for preparation of the deed of transfer, all transfer taxes and recording costs applicable to the deed of transfer. Each party shall pay its own attorney's fees. Purchaser shall pay all expenses incident to any financing obtained for the purchase and development of the Property.

(b) At the Closing there shall be a proration of the current real estate taxes and special district charges levied against the Property. Seller represents and warrants to Purchaser that no real estate taxes, special district charges, fines or penalties will be unpaid as of Closing. Purchaser shall only be responsible for any special district charges accruing after the Closing. Seller shall be responsible for paying the payment in lieu real of estate taxes and special district charges, if any, for all periods prior to the Closing Date out of Seller's own funds. The Seller shall send copies of the PILOT Agreement and Real Property Tax Exemption Form to the Town, the Frankfort-Schuyler School District and the County.

7. Conditions Precedent To Closing. (a) Seller and Purchaser acknowledge that as conditions precedent to the Purchaser's obligations to purchase the Property the following shall occur on or before the Closing Date:

(i) Purchaser shall have received a current dated environmental assessment for the Property satisfactory to Purchaser in its sole discretion.

(ii) First American Title Insurance Company (the "Title Company") shall be irrevocably committed to issue upon Closing an ALTA owner's policy of title insurance (the "Title Policy"), insuring Purchaser as owner of fee simple title to the Property, subject only to the Permitted Exceptions (defined below), in the amount of up to \$40,000,000 or such lesser amount as Purchaser may select, and containing such endorsements as Purchaser shall have reasonably requested, and deleting the survey and other standard exceptions.

(iii) The Seller and the Purchaser shall have entered into a Payment-in-Lieu of Taxes Agreement (the "PILOT Agreement"); the PILOT Agreement shall provide, among other things, that (A) with regard to the approximately 930,500 square foot portion of the Project Facility (such portion being referred to as "Phase 1"), (i) Phase 1 shall be exempt from real property taxes until the tax status date that occurs three years after a certificate of occupancy has been issued for Phase 1, (ii) the real property taxes on Phase 1 shall be reduced by 75 percent in years 4 through and including 6 and (iii) the real property taxes on Phase 1 shall be reduced by 50 percent in years 7 through and including 10 and (B) if the Purchaser elects to build all or any portion of the approximately 300,000 square foot expansion to Phase 1 (such expansion being

referred to as "Phase 2"), (i) Phase 2 shall be exempt from real property taxes until a certificate of occupancy is issued for Phase 2 and (ii) the real property taxes on Phase 2 shall be reduced by 50 percent commencing on the taxable status date following the issuance of a certificate of occupancy for Phase 2 and continuing for 10 years thereafter. The terms of the PILOT Agreement shall be negotiated between the parties in good faith during the Inspection Period.

(iv) The Seller shall have executed and delivered to Purchaser an Amended Declaration of Protective Covenants (the "Amended Declaration") pertaining to the possible development on the smaller parcels between the Property and New York State Route 5S as shown on Exhibit A attached hereto in form and substance satisfactory to Purchaser. The terms of the Amended Declaration shall be negotiated between the parties in good faith during the Inspection Period.

(v) The Lease, the Lease Back Agreement, the Environmental Indemnification Agreement and the Recapture Agreement, which Recapture Agreement shall include among other things provisions for a minimum of 170 full time equivalent jobs at the Project by June 30, 2020, all in form and substance satisfactory to Purchaser in its sole discretion, shall have been duly approved, executed and delivered by the Seller.

(vi) The ESD letter shall be in full force and effect and shall not have been modified in any way.

(vii) All of Seller's Undertakings (as defined in Section 13 hereof) shall have been completed to Purchaser's satisfaction in its sole discretion.

(viii) The Seller shall have provided evidence satisfactory to Purchaser in its sole discretion that the Seller has complied with all applicable, laws, rules and regulations relating to the sale of the Property, including without limitation Section 2897-a of the New York State Public Authorities Law, as amended, and the Seller's policies and by-laws.

(ix) Each and every representation and warranty of Seller set forth in Section 12 shall be true and correct in all material respects as of the Closing Date, and Seller shall not be in default under any of its material obligations hereunder.

(x) The Purchaser shall have obtained all governmental permits and approvals, including without limitation, wetlands approvals (if any), zoning variances and zone changes, and permits from the New York State Department of Transportation (if any) (collectively, the "Governmental Approvals") necessary or desirable (in Purchaser's sole opinion) to acquire, construct, equip and operate the Project Facility as a distribution center in accordance with the Purchaser's intended use, all of which permits, approvals, variances and zone changes shall be in form and substance acceptable to Purchaser in its sole discretion.

(xi) The Seller shall have complied with the New York State Environmental Quality Review Act and the regulations issued pursuant thereto (collectively, "SEQRA").