

FINAL RESOLUTION
(Providence Housing Development Corporation Project)

A regular meeting of the Steuben County Industrial Development Agency was convened on Thursday, April 28, 2022.

The following resolution was duly offered and seconded, to wit:

Resolution No. 04/2022 - ____

RESOLUTION OF THE STEUBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY (i) ACKNOWLEDGING THE PUBLIC HEARING HELD WITH RESPECT TO THE PROVIDENCE HOUSING DEVELOPMENT CORPORATION PROJECT ON DECEMBER 3, 2020; (ii) AUTHORIZING FINANCIAL ASSISTANCE (AS MORE FULLY DESCRIBED BELOW) FOR THE BENEFIT OF PROVIDENCE HOUSING DEVELOPMENT CORPORATION; (iii) MAKING A DETERMINATION WITH RESPECT TO ARTICLE 8 OF THE ENVIRONMENTAL CONSERVATION LAW AND 6 N.Y.C.R.R. PART 617; AND (iv) AUTHORIZING THE EXECUTION AND DELIVERY OF A PROJECT AGREEMENT, LEASE AGREEMENT, LEASEBACK AGREEMENT, TAX AGREEMENT, MORTGAGE AND RELATED DOCUMENTS WITH RESPECT TO THE PROJECT.

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 178 of the Laws of 1972 of the State of New York, as amended (hereinafter collectively called the "Act"), the **STEUBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY** (the "Agency") was created with the authority and power to own, lease and sell property for the purpose of, among other things, acquiring, constructing and equipping industrial, manufacturing and commercial facilities as authorized by the Act; and

WHEREAS, **PROVIDENCE HOUSING DEVELOPMENT CORPORATION**, for itself or on behalf of an entity to be formed by it or on its behalf (collectively, the "Company"), has submitted an application (the "Application"), a copy of which is on file with the Agency, requesting the Agency's assistance with respect to a certain project (the "Project"), consisting of: (i) the acquisition by the Agency of a leasehold or other interest in certain property located at 208 Liberty Street, Village of Bath, Steuben County, New York (the "Land") along with existing improvements located thereon consisting principally of a vacant school (the "Existing Improvements"), (ii) the renovation and rehabilitation of the Existing Improvements and the planning, design and operation by the Company or an entity to be formed of a multi-tenanted, mixed-use project that will consist of approximately forty-nine (49) workforce apartments and an approximately 7,478 square foot community art center (collectively, the "Improvements") and (iii) the acquisition and installation in and around the Existing Improvements and the Improvements of certain items of equipment, machinery, and other tangible personal property

(the "Equipment"; and collectively with the Land, the Existing Improvements and the Improvements, the "Facility"); and

WHEREAS, by resolution adopted by the Agency on August 14, 2020 (the "Initial Resolution"), the Agency accepted the Application as submitted by the Company and, among other things, (i) described the Financial Assistance (as defined below) being contemplated by the Agency and (ii) authorized the Agency to hold a public hearing regarding the contemplated Financial Assistance; and

WHEREAS, pursuant to Section 859-a of the Act, on Thursday, December 3, 2020, at 1:00 p.m., 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 Notice of Public Hearing published and forwarded to the affected taxing jurisdictions at least ten (10) days prior to said Public Hearing are attached hereto as Exhibit A); and

WHEREAS, the Village of Bath Planning Board, as lead agency, conducted a coordinated review of the Project pursuant to the New York State Environmental Quality Review Act, Article 8 of the Environmental Conservation Law and its implementing regulations at 6 N.Y.C.R.R. Part 617 (collectively referred to as "SEQRA"), which resulted in the issuance of a negative declaration by the Village of Bath Planning Board, dated April 22, 2022 (the "Negative Declaration") attached hereto as Exhibit B, concluding the SEQRA process; and

WHEREAS, the Agency desires to adopt a resolution (i) acknowledging that the Public Hearing was held in compliance with the Act, (ii) authorizing the negotiation, execution and delivery by the Agency of a Project Agreement, Lease Agreement, Leaseback Agreement, Tax Agreement and related documents, and (iii) authorizing the Financial Assistance to the Company; and

WHEREAS, the Project Agreement, Lease Agreement, Leaseback Agreement and Tax Agreement and related documents have been negotiated and are presented to this meeting for execution.

NOW, THEREFORE, BE IT RESOLVED BY THE STEUBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. The Public Hearing held by the Agency Thursday, December 3, 2020, at 1:00 p.m., concerning the Project and the Financial Assistance was duly held in accordance with the Act, including but not limited to the giving of at least ten (10) days published notice of the Public Hearing (such notice also provided to the Chief Executive Officer of each affected tax jurisdiction), affording interested parties a reasonable opportunity, both orally and in writing, to present their views with respect to the Project.

Section 2. The Village of Bath Planning Board (the "Planning Board") has conducted a coordinated review of the Project pursuant to Article 8 of the Environmental Conservation Law

and 6 N.Y.C.R.R. Part 617 (collectively referred to as "SEQRA"). In addition to classifying the Project as an "Unlisted Action" pursuant to SEQRA, the Planning Board also issued a Negative Declaration on April 22, 2022, determining that the Project did not present a potential significant adverse environmental impact. The Agency, having reviewed the materials presented by the Company, including but not limited to, the Full Environmental Assessment Form, further determines that the Project does not pose a potential significant adverse environmental impact and thus ratifies the Negative Declaration previously issued by the Planning Board pursuant to 6 N.Y.C.R.R. Part 617.7.

Section 3. The Agency is hereby authorized to provide to the Company financial assistance in the form of (a) a sales and use tax exemption for purchases and rentals related to the acquisition, construction, reconstruction, renovation and equipping of the Project, (b) a partial real property tax abatement structured through the Tax Agreement, and (c) an exemption from mortgage recording taxes imposed on the financing related to the Project (collectively, the "Financial Assistance").

Section 4. Based upon the representation and warranties made by the Company in the Application, the Agency hereby authorizes and approves the Company, as its agent, to make purchases of goods and services relating to the Project and that would otherwise be subject to New York State and local sales and use tax in an amount up to approximately **\$500,000.00**, which result in New York State and local sales and use tax exemption benefits ("Sales and Use Tax Exemption Benefits") not to exceed **\$40,000.00**. The Agency agrees to consider any requests by the Company for increase to the amount of Sales and Use Tax Exemption Benefits authorized by the Agency upon being provided with appropriate documentation detailing the additional purchases of property or services, and, to the extent required, the Agency authorizes and conducts any supplemental public hearing(s).

Section 5. Pursuant to Section 875(3) of the Act, 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, consultants, 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 Company, its agents, consultants, subcontractors, or any other party authorized to make 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; (iv) the Company has made a material false statement on its application for financial assistance; (v) the Sales and Use Tax Exemption Benefits are taken in cases where the Company, its agents, 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; and/or (vi) the Company obtains mortgage recording tax benefits and/or real property tax abatements and 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 (collectively, items (i) through (vi) hereby defined as a "Recapture Event").

As a condition precedent of receiving Sales and Use Tax Exemption Benefits and real property tax abatement benefits, the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, must (i) if a Recapture Event determination is made by the Agency, cooperate with the Agency in its efforts to recover or recapture any Sales and Use Tax Exemption Benefits, mortgage recording tax benefits and/or real property tax abatement benefits, and (ii) promptly pay over any such amounts to the Agency that the Agency demands, if and as so required to be paid over as determined by the Agency.

Section 6. Subject to the Company executing the Project Agreement 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, reconstruct, renovate 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 Project Agreement shall expire on **December 31, 2023** (unless extended for good cause by the Executive Director of the Agency) if the Lease Agreement, the Leaseback Agreement and the Tax Agreement contemplated have not been executed and delivered

Section 7. 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 Project Agreement, pursuant to which the Agency will appoint the Company as its agent to undertake the Project, (B) the Lease Agreement, pursuant to which the Company leases the Project to the Agency, (C) the related Leaseback Agreement, pursuant to which the Agency leases its interest in the Project back to the Company, and (D) the Tax Agreement; 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 Tax Agreement are consistent with the Agency's Uniform Tax Exemption Policy or the procedures for deviation have been complied with.

Section 8. The Chairman, Vice Chairman and/or Executive Director of the Agency are hereby authorized, on behalf of the Agency, to execute, deliver and record any mortgage, assignment of leases and rents, security agreement, UCC-1 Financing Statements and all documents reasonably contemplated by these resolutions or required by any lender/financial institution identified by the Company (the "Lender") up to a maximum principal amount not to exceed **\$14,000,000.00**, acquire the Facility and/or finance or re-finance equipment and other personal property and related transactional costs (hereinafter, with the Lease Agreement, Leaseback Agreement and Tax Agreement, collectively called the "Agency Documents"); and,

where appropriate, the Secretary or Assistant Secretary of the Agency is hereby authorized to affix the seal of the Agency to the Agency Documents and to attest the same, all with such changes, variations, omissions and insertions as the Chairman, Vice Chairman and/or Executive Director of the Agency shall approve, the execution thereof by the Chairman, Vice Chairman and/or Executive Director of the Agency to constitute conclusive evidence of such approval; provided in all events recourse against the Agency is limited to the Agency's interest in the Project.

Section 9. The Agency is hereby authorized to provide the Company with an exemption from mortgage recording taxes as permitted by New York State law in an amount not to exceed One Hundred Seventy-Five Thousand and 00/100 Dollars (**\$175,000.00**).

Section 10. 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 11. In the event that the Company does not close with the Agency on the proposed financial assistance within twelve (12) months of the date hereof, the Agency reserves the right to rescind and cancel this resolution and all approvals made hereunder or under any other Agency resolution or action.

Section 12. These Resolutions shall take effect immediately.

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

	<i>Yea</i>	<i>Nay</i>	<i>Absent</i>	<i>Abstain</i>
Mark R. Alger	[<input checked="" type="checkbox"/>]	[]	[]	[]
Scott J. Van Etten	[<input checked="" type="checkbox"/>]	[]	[]	[]
Anthony Russo	[]	[]	[<input checked="" type="checkbox"/>]	[]
Dean Strobel	[<input checked="" type="checkbox"/>]	[]	[]	[]
Mike Davidson	[<input checked="" type="checkbox"/>]	[]	[]	[]
Christine G. Sharkey	[<input checked="" type="checkbox"/>]	[]	[]	[]
Michelle Caulfield	[<input checked="" type="checkbox"/>]	[]	[]	[]

The Resolutions were thereupon duly adopted.

SECRETARY'S CERTIFICATION
(Providence Housing Development Corporation Project)

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

I, the undersigned, Secretary, of the Steuben County Industrial Development Agency, DO HEREBY CERTIFY:

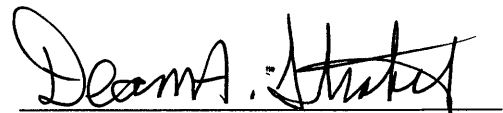
That I have compared the annexed extract of minutes of the meeting of the Steuben County Industrial Development Agency (the "Agency"), including the resolution contained therein, held on March 24, 2022, with the original thereof on file in the office of the Agency, and that the same is a true and correct copy of the proceedings of the Agency and of such resolution set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

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

I FURTHER CERTIFY, that 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 modified.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Agency this ___ day of _____, 2022.



Secretary

EXHIBIT A

Notice Documents

[See Attached]

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EXHIBIT B

Negative Declaration of Town of Pulteney Planning Board

[See Attached]