

RESOLUTION  
(*Waterloo Restoration & Redevelopment, LLC*)

A regular meeting of Seneca County Industrial Development Agency on February 2, 2017, at 12:00 p.m. (noon).

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

**Resolution No. 2017-11**

**RESOLUTION AUTHORIZING THE SENECA COUNTY INDUSTRIAL DEVELOPMENT AGENCY (THE "AGENCY") TO (i) UNDERTAKE A CERTAIN PROJECT (AS DEFINED BELOW) FOR THE BENEFIT OF WATERLOO RESTORATION & REDEVELOPMENT, LLC (THE "COMPANY"), (ii) NEGOTIATE, EXECUTE AND DELIVER A LEASE AGREEMENT, LEASEBACK AGREEMENT, AGENCY AGREEMENT, PAYMENT IN LIEU AGREEMENT AND RELATED DOCUMENTS, (iii) PROVIDE FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF (a) A SALES AND USE TAX EXEMPTION FOR PURCHASES AND RENTALS RELATED TO THE UNDERTAKING OF THE PROJECT, (b) A PARTIAL REAL PROPERTY TAX ABATEMENT UNDER A PAYMENT IN LIEU OF TAX AGREEMENT, AND (c) A MORTGAGE RECORDING TAX EXEMPTION FOR FINANCING RELATED TO THE PROJECT; AND (iv) EXECUTE A MORTGAGE AND RELATED DOCUMENTS**

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 63 of the Laws of 1972 of the State of New York, as amended (hereinafter collectively called the "Act"), the SENECA COUNTY INDUSTRIAL DEVELOPMENT AGENCY (hereinafter, 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 civic, industrial, manufacturing and commercial facilities as authorized by the Act; and

**WATERLOO RESTORATION & REDEVELOPMENT, LLC**, a limited liability company, for itself or on behalf of an entity to be formed by it or on its behalf (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 interest in property situated at 3-9 West Main Street, Village of Waterloo, New York, and the buildings and improvements thereon (collectively, the "Property"), (ii) the renovation of the Property to create four commercial units and eight residential units, and related amenities (collectively, the "Improvements"), and (iii) the acquisition and installation by the Company in the Improvements of certain items of equipment and other tangible personal property (the "Equipment" and, collectively with the Property, and the Improvements, the "Facility"); and

WHEREAS, by resolution adopted on January 5, 2017 (the "Inducement Resolution"), the Agency (i) accepted the Application, and (ii) directed that a public hearing be held pursuant to General Municipal Law section 859-a; and

WHEREAS, pursuant to General Municipal Law section 859-a, on Thursday, January 26, 2017, at 5:30 p.m. at Village of Waterloo Courthouse, 41 West Main Street, Village of Waterloo, New York, the Agency held a public hearing with respect to the Project and the proposed Financial Assistance (as defined in the Inducement Resolution) 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; and

WHEREAS, copies of the minutes of the Public Hearing, written submissions and the notice of the Public Hearing published and forwarded to the affected taxing jurisdictions at least then (10) days prior to said Public Hearing are attached hereto as Exhibit A; and

WHEREAS, the Agency has prepared a cost-benefit analysis with respect to the Project and the contemplated Financial Assistance and has reviewed the results of said cost-benefit analysis; and

WHEREAS, in reviewing the Application, the Agency has considered (i) the nature of the Project, (ii) the economic condition of the area and the multiplying effect the Project will have on the area; (iii) the extent to which the Project will create permanent, private sector jobs; (iv) the estimated value of tax exemptions contemplated to be provided; (v) the economic impact of the Project and proposed tax exemptions on affected taxing jurisdictions; (vi) the impact of the Project on existing and proposed businesses and economic development projects in the vicinity of the Project; (vii) the amount of private sector investment likely to be generated by the Project; (viii) the extent to which the Project will require the provision of additional services; (ix) the extent to which the Project will provide additional sources of revenue for the municipalities and school district in which the Project is located; and (x) the benefit of the Project not otherwise available to the area in which the Project is located; and

WHEREAS, the Tax Agreement (as defined in the Inducement Resolution) as so contemplated provides for a schedule of payments to be made by the Company to the Agency; and

WHEREAS, the Agency desires to adopt a resolution (i) acknowledging that the Public Hearing was held in compliance with the Act, (ii) authorizing Financial Assistance to the Company in excess of \$100,000, (iii) authorizing the execution and delivery of the Lease Agreement, the Leaseback Agreement, the Agent Agreement, the Tax Agreement (as all of the foregoing are defined in the Inducement Resolution) and all documents related thereto, and (iv) authorizing the execution and delivery of one or more mortgages and related documents related to the financing of the Project; and

WHEREAS, with the Application the Company completed and submitted to the Agency Part 1 of the Environmental Assessment Form pursuant to the New York State Environmental Quality Review Act, Article 8 of the Environmental Conservation Law and the regulations adopted pursuant thereto at 6 N.Y.C.R.R. Part 617, as amended (the “EAF”); and

WHEREAS, the Agency has reviewed the EAF as submitted by the Company and the environmental impacts of the Project, and following such review has completed Part 2 of the EAF, and desires to make a finding with respect to the environmental impact of the Agency’s involvement in the Project.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE 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 and provisions of the Act and to exercise all powers granted to it under the Act; and
- (b) The Project will promote employment opportunities and prevent economic deterioration in Seneca County, and otherwise further the purposes of the Agency, and that by entering into the Tax Agreement and otherwise providing financial assistance for the Project the Agency will be increasing employment opportunities in Seneca County and otherwise furthering the purposes of the Act; and
- (c) The leasing of the Facility from and the subleasing back of the Facility to the Company will promote and maintain job opportunities, health, general prosperity and economic welfare of the citizens of the County of Seneca and State of New York and improve their standard of living and thereby serve the public purposes of the Act; and
- (d) Based upon the representations and warranties of the Company, the Facility conforms with all applicable local zoning laws and planning regulations and all regional and local land use plans for the area in which the Facility is located; and
- (e) Based upon the representations and warranties of the Company, the Facility and the operations conducted thereon will not cause or result in the violation of the health, labor or other laws of the United States of America, the State of New York or the County of Seneca; and
- (f) It is desirable and in the public interest for the Agency to acquire an interest in the Facility; and
- (g) The Lease Agreement will be an effective instrument whereby the Company leases the Facility to the Agency; and
- (h) The Leaseback Agreement will be an effective instrument whereby the Agency subleases the Facility back to the Company; and
- (i) The Tax Agreement will be an effective instrument whereby the Agency and the Company set forth the terms and conditions of their agreement regarding the Company's payment of real property taxes; and
- (j) The Agent Agreement will be an effective instrument whereby the Agency and the Company set forth the terms and conditions of their agreement regarding the Agency's appointment of the Company as its agent for the Project; and
- (k) The Public Hearing held by the Agency on January 26, 2017 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. In consequence of the foregoing, the Agency hereby determines to (a) acquire a leasehold interest in the facility pursuant to the Lease Agreement, (b) sublease the Facility back to the Company pursuant to the Leaseback Agreement, (c) authorize the undertaking of the Project and appoint the Company as its agent for purposes of acquiring, constructing and/or equipping the Facility, subject to the Company entering into the Agent Agreement, and (d) provide financial assistance for the Project in the form of (i) a sales and use tax exemption for purchases and rentals related to the undertaking of the Project, subject to the terms and conditions of the Agent Agreement, the total value of the exemption not to exceed \$100,000, (ii) a partial real property tax abatement, subject to the terms and conditions of the Tax

Agreement, and (iii) a mortgage recording tax exemption for financing related to the Project.

Section 3. The resolutions in section 2 above are subject to and conditioned upon the Company obtaining all funding necessary to complete the Project, as identified in the Application, and delivering proof of said funding to the Agency.

Section 4. The Agency hereby finds and confirms that the partial real property tax abatement provided pursuant to the Tax Agreement and Tax Agreement Payment Schedule conforms to the Agency's uniform tax exemption policy.

Section 5. The foregoing resolutions notwithstanding, the Agency's appointment of the Company as its agent for purposes of undertaking the Project is subject to and conditioned upon the Company's agreement, in accordance with Section 875(3) of the New York General Municipal Law, that, if the Company receives New York State and local sales and use tax exemption benefits ("sales and use tax exemption benefits") from the Agency, and it is determined that: (i) the Company 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 by the Agency to be taken by the Company; (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 sales and use tax exemption benefits are taken in cases where the Company 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, then the Company will (A) cooperate with the Agency in its efforts to recover or recapture any sales and use tax exemption benefits, and (B) promptly pay over any such amounts to the Agency that the Agency demands in connection therewith, and that in the event that the Company fails to pay over such amounts to the Agency, the New York State Tax Commissioner may assess and determine New York State and local sales and use taxes due from the Company, together with any relevant penalties and interest due on such amounts.

Section 6. The Chairman, Vice Chairman and/or the Executive Director of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Lease Agreement, Leaseback Agreement, the Agent Agreement, Tax Agreement in substantially the forms presented to this meeting, and all documents related thereto, with such additions, changes, variations, omissions and insertions as the Chairman, Vice Chairman and/or Executive Director, shall approve, which agreements may provide for the forfeiture and/or recapture of financial assistance where projected employment goals have not been met. The execution thereof by the Chairman, Vice Chairman and/or Executive Director of the Agency shall constitute conclusive evidence of such approval.

Section 7. The Chairman, Vice Chairman and/or Executive Director of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver any mortgage, assignment of leases and rents, security agreement, UCC-1 Financing Statements and all documents reasonably contemplated by these resolutions and required by any lender or financial institution identified by the Company providing financing for the Project, 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 8. 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 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 9. The Agency hereby finds that the Agency's involvement in the Project will not result in any significant adverse environmental impacts.

Section 10. These Resolutions shall take effect immediately.

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

	<i>Yea</i>	<i>Nay</i>	<i>Abstain</i>	<i>Absent</i>
G. Thomas Macinski	[    ]	[    ]	[    ]	[ x ]
Thomas L. Kime	[ x ]	[    ]	[    ]	[    ]
Robert E. Kernan, Jr.	[    ]	[    ]	[    ]	[ x ]
Cindy Garlick Lorenzetti	[ x ]	[    ]	[    ]	[    ]
Erica Paolicelli	[ x ]	[    ]	[    ]	[    ]
Steven Brusso	[ x ]	[    ]	[    ]	[    ]
Stephen Wadhams	[ x ]	[    ]	[    ]	[    ]
Valerie J. Bassett	[ x ]	[    ]	[    ]	[    ]

The Resolutions were thereupon duly adopted.

**SECRETARY'S CERTIFICATION**  
*(Waterloo Restoration & Redevelopment, LLC)*

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

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

That I have compared the annexed extract of minutes of the meeting of the Seneca County Industrial Development Agency (the "Agency"), including the resolution contained therein, held on **February 2, 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 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 2<sup>nd</sup> day of February 2017

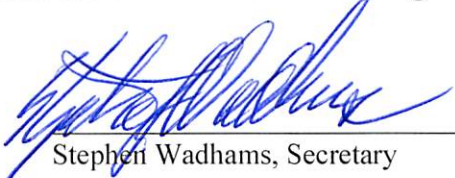
  
\_\_\_\_\_  
Stephen Wadhams, Secretary

Exhibit A

[NOTICE DOCUMENTS]

Attached

## NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a public hearing pursuant to Article 18-A of the New York State General Municipal Law, will be held by the Seneca County Industrial Development Agency (the "Agency") on the 26th day of January, 2017 at 5:30 p.m., local time, at the Village of Waterloo Courthouse, 41 West Main Street, Waterloo, New York in connection with the following matters:

**WATERLOO RESTORATION & REDEVELOPMENT, LLC**, a limited liability company, for itself or on behalf of an entity to be formed by it or on its behalf (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 interest in property situated at 3-9 West Main Street, Village of Waterloo, New York, and the buildings and improvements thereon (collectively, the "Property"), (ii) the renovation of the Property to create four commercial units and eight residential units, and related amenities (collectively, the "Improvements"), and (iii) the acquisition and installation by the Company in the Improvements of certain items of equipment and other tangible personal property (the "Equipment" and, collectively with the Property, and the Improvements, the "Facility")

The initial owner of the Facility will be the Company. The Agency will acquire a leasehold interest in the Facility from the Company and lease the Facility back to the Company. At the end of the lease term, the Agency will terminate its leasehold interest. The Agency contemplates it will provide financial assistance to the Company in the form of exemptions from sales and use taxes, exemptions from mortgage recording taxes and abatement of property taxes.

A representative of the Agency will at the above-stated time and place hear and accept written comments from all persons with views in favor of or opposed to either the proposed financial assistance to the Company or the location or nature of the Facility. A copy of the Application for Financial Assistance filed by the Company with the Agency, including an analysis of the costs and benefits of the proposed Facility, is available for public inspection at the offices of the Agency, One DiPronio Drive, Waterloo, New York.

SENECA COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY

Dated: January 11, 2017

By: /s/ Robert J. Aronson, Executive Director



**MINUTES OF PUBLIC HEARING**

**Waterloo Restoration & Redevelopment LLC  
Village of Waterloo Courthouse  
41 West Main Street  
Waterloo, New York**

**Thursday, January 26, 2017  
5:30 P.M.**

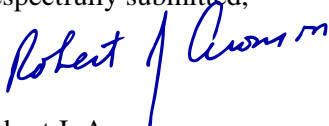
**ATTENDEES:**

Robert Aronson, Executive Director, Seneca County Industrial Development Agency; Cindy Garlick Lorenzetti, IDA board member; Ted Young, Village Mayor; Dave Duprey, Village Deputy Mayor; Don Northrup, Village Administrator; Judy Hallowell; Jim Vrooman; Bob McGill; Kyle Black.

A public hearing on assistance being extended to Waterloo Restoration & Redevelopment LLC was opened by Robert Aronson, at 5:32PM. Oral comments of concern included supporting apartment development, the credibility of the developer, the time it is taking to enact plans by the developer, the timing of the development in view of the Lago Resort & Casino development. Comments of support included supporting and updating businesses, and an understanding that development takes a long time.

The hearing was closed at 5:50 PM by Robert Aronson.

Respectfully submitted,



Robert J. Aronson  
Executive Director