

City of Troy

Industrial Development Authority

May 20, 2016
10:00 AM
Meeting Minutes

Present: Kevin O'Bryan, Hon. Robert Doherty, Susan Farrell, Hon. Dean Bodnar, Tina Urzan, Paul Carroll and Lou Anthony

Absent: Adam Hotaling

Also in attendance: Ken Crowe, Derek Foster, Michael Uccellini, Tom Uccellini, Tim Haskins, Jeff Pfeil, Deanne Pfeil, Mary Ellen Flores, James Lozano, Deanne DalPos, Angelo Grasso, Erica Grasso, Justin Miller and Denee Zeigler

The Chairman called the meeting to order at 10:00 a.m.

I. Minutes

The board reviewed the minutes from the April 22, 2016 board meeting.

Hon. Dean Bodnar made a motion to approve the April 22, 2016 meeting minutes.

Tina Urzan seconded the motion, motion carried.

II. Daigle Development, LLC

Ms. Kurzejeski introduced Derek Foster to the board. Mr. Foster advised that he is the president of Daigle Cleaning Systems currently located in Clifton Park, New York. Mr. Daigle explained that he is a graduate of RPI and founded the company about four and a half years ago. He advised that they specialize in office building cleaning and maintenance, they have a residential maid service and offer post construction cleaning. Mr. Foster advised that they currently employ about 30 people; many from Troy. He added that they would like to add 15 employees by the end of 2016. Mr. Foster advised that he is a Troy resident and would like to move his business closer to his home and be part of the rebirth that his happening in the area. The space in Troy will allow his business to have a larger and permanent headquarters. Mr. Foster noted that he is currently under contract to purchase the building at 40-44 River Street; which will provide them with enough room to grow and a small office space that they will be able to rent out. Mr. Foster advised that he plans on closing on the property at the end of June. The building will need a full interior rehab totaling \$330,000. Mr. Foster advised financing has already been secured and he spoke about the previous uses of the building. Mr. Foster advised he is asking for Mortgage/Sales Tax benefits and PILOT. Mr. Doherty asked about the interior renovations. Mr. Foster advised they will do a complete rehabilitation for \$330,000. Mr. Bodnar asked about the history of owners of the building. Mr. Foster spoke of the two previous owners and explained that he purchased the building through a private sale. Mr. Bouchey asked if this will be the company's headquarters. Mr. Foster advised yes. They will use it as their headquarters and rent out the additional office space. Mr. Foster hoped that his company will someday fill the whole

building. Mr. Bouchey asked about the employees that will be located at this site. Mr. Foster advised that about 15 employees will be at the site on a daily basis, the rest of the employees are out to job sites during the day. Ms. Kurzejeski asked how many employees are out on job sites. Mr. Foster advised that there are about 15 and they hope to add an additional 15 over the next two years. Ms. Urzan asked about the details of what they do. Mr. Foster explained they provide residential and commercial cleaning services. The chairman wanted to note that this is a smaller scale project that will have the same requirements as a bigger project, but we still want this process to work for all facets of the economy. (See attached Resolution 05/16 #1)

**Tina Urzan made a motion to approve the initial authorization for Daigle Development, LLC.
Susan Farrell seconded the motion, motion carried.**

III. Troy Living, LLC

Ms. Kurzejeski advised that Troy Living, LLC is seeking to reassign their current agreement to Irving Avenue 158, LLC; who is looking to take over the Conservatory and the hardware store. The chairman noted that nothing is changing with the specifics of the project; the obligations will simply change to the new owners. Steve Bouchey commended the work that the Pfeil have done in downtown Troy. Ms. Kurzejeski introduced the new owners, Angelo and Erica Grasso. Jeff Pfeil advised that they currently run the ACE hardware store locally. Mr. Bodnar asked for additional background on the new owners. Mr. Grasso advised that his family runs hardware store in Brooklyn and recently purchased the ACE Hardware store on Brunswick Road. He advised that his sister-in-law, Erica Grasso, currently manages that store. Ms. Kurzejeski asked about their distribution center. Mr. Grasso advised they do have a distribution center in Latham that helps supply the stores. Mr. Bodnar asked if they had any other business interests in the area. Mr. Grasso advised not at this time, but it's always a possibility. (See attached Resolution 05/16 #2)

**Steve Bouchey made a motion to approve the assignment from Troy Living, LLC to Irving Avenue 158, LLC.
Tina Urzan seconded the motion, motion carried.**

IV. HV Housing, LLC

The chairman noted that we held a public hearing on this project on Friday May 13, 2016 and noted that they have presented to this board more than once, as well as attending several planning/zoning board meetings. Mr. Bodnar noted that the City Council may invite this group to present to them in the near future. Ms. Kurzejeski explained that there is one more planning meeting in which the City Council has been asked to attend. Mr. Uccellini advised that would be fine and advised he would be more than happy to present to them if they have questions/concerns. (See attached Resolution 05/16 #3)

**Tina Urzan made a motion to approve the Authorizing Resolution for HV Housing, LLC.
Hon. Dean Bodnar seconded the motion, motion carried.**

V. IDA Compliance Documents

The chairman advised that documents are becoming more standardized. Mr. Miller advised that legislation was signed in December 2015 that will go into effect on June 15, 2016 regarding enhance reporting, compliance and enforcement materials. This includes an updated application for financial assistance; which includes an increase in application fee, annual maintenance fees, additional certifications within the application, job number section has been updated and enhanced certification about moving jobs from other areas. Mr. Miller advised that the law also required enhanced policies for recapture agreements; which will come into play with our PARIS reporting. He added that there is also a requirement for a uniform project cost benefit analysis and referred to the one in the board members packets. Mr. Miller advised that this will help to level the playing field for all applicants; it is something that we do already, but this will imbed it in our policy. Mr. Miller advised that the same applies to the agent agreement. There are new provisions that are required to be in the language; including capping sales tax exemptions and a delineation of all financial assistance. Mr. Miller advised that these updates will assist with checks and balances for IDA's throughout the state. Mr. Bodnar asked about what internal controls are going to be set up or enhanced so that we can review them. Ms. Kurzejeski spoke about the current process in place for collecting information from the applicants. The chairman spoke about the need to improve the analysis part of the process after the information is collected. Mr. Miller agreed that there is enough checks/balance to collect the data, but no one to interpret. Mr. Miller advised that the governance committee can meet to review the information and make recommendations to the full board. Mr. Bodnar advised that the process of involvement would help us with board member evaluations. He added that he is glad to see an increased fee schedule. Mr. Doherty asked if the annual fee is on a sliding scale or if it is fixed. Mr. Miller advised the annual maintenance fee is the same for all projects. Mr. Doherty asked if there is a separate website for our IDA. Ms. Kurzejeski advised that we have a separate page on the City's website. (See attached Resolution 05/16 #4)

**Lou Anthony made a motion to approve the IDA Compliance Documents as part as our policies and procedures.
Tina Urzan seconded the motion, motion carried.**

VI. PARIS report

The chairman advised that a copy of the PARIS report was distributed for their review to adopt next month. Ms. Kurzejeski gave an overview of the type of information that is contained in the PARIS report. Mr. Doherty wanted to clarify that it is for calendar year 2015. Ms. Kurzejeski advised yes, some of the information will seem outdated but it relates to last year. She added that for 2016 there will be updates made. Mr. Doherty asked about when we switched to CFO for Hire. The board had a general discussion about the CFO's position versus the City Comptroller's position on the board. Mr. Miller advised that by statute, the city's comptroller is supposed to handle the funds as they come in and CFO for Hire is the financial staff. The chairman advised that we will talk about the reports at the next meeting.

VII. Project Pipeline

Ms. Kurzejeski distributed a spreadsheet to the board members that outlined the upcoming projects which included all of their costs and potential administration fees. She advised that this will be sent out quarterly to keep everyone up to date on what is happening. The board asked what the bottom number represents. Ms. Kurzejeski noted that it will be adjusted as projects come in and others are completed. The chairman advised that this is a great start. Mrs. Urzan agreed and added that she finds the form to be very helpful. Mr. Bodnar asked about the status of Wolff's Biergarten. Mr. Miller advised that the IDA benefits did not transfer over to them; they are fully taxable.

VIII. Financials

Jim Lozano presented the financials to the board and advised that the balance sheet currently show \$523,000 in assets; with \$471,000 in cash. He added that we are a little under \$51,000 for receivables; the majority of that which was for Dinosaur BBQ PILOT. He advised that PILOT was paid to the City. Mr. Lozano advised there was no other action on the balance sheet.

Mr. Lozano went over the profit and loss sheet for April; which he noted there was little activity with a surplus of \$684 for the month. Mr. Lozano advised for the year to date we have a surplus of \$166,000.

IX. Adjournment

With no additional business to discuss, the IDA portion of the meeting was adjourned at 10:50 a.m.

**Steve Bouchey made a motion to adjourn the IDA meeting.
Tina Urzan seconded the motion, motion carried.**

INITIAL PROJECT RESOLUTION
(*Daigle Development, LLC Project*)

A regular meeting of the Troy Industrial Development Authority (the “Authority”) was convened on May 20, 2016 at 10:00 a.m., local time, at 433 River Street, 5th Floor, Troy, New York 12180.

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

<u>MEMBER</u>	<u>PRESENT</u>	<u>ABSENT</u>
Kevin O’Bryan	X	
Hon. Dean Bodnar	X	
Hon. Robert Doherty	X	
Steve Bouchey	X	
Louis Anthony	X	
Paul Carroll	X	
Adam Hotaling		X
Susan Farrell	X	
Tina Urzan	X	

The following persons were ALSO PRESENT: Ken Crowe, Derek Foster, Michael Uccellini, Tom Uccellini, Tim Haskins, Jeff Pfeil, Deanne Pfeil, Mary Ellen Flores, James Lozano, Deanne DalPos, Angelo Grasso, Erica Grasso, Justin Miller and Denee Zeigler

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to a proposed project for the benefit of Daigle Development, LLC.

On motion duly made by Tina Urzan and seconded by Susan Farrell, the following resolution was placed before the members of the Troy Industrial Development Authority:

Member	Aye	Nay	Abstain	Absent
Kevin O’Bryan	X			
Hon. Dean Bodnar	X			
Hon. Robert Doherty	X			
Steve Bouchey	X			
Louis Anthony	X			
Paul Carroll	X			
Adam Hotaling				X
Susan Farrell	X			
Tina Urzan	X			

Resolution No. 05/16 #1

RESOLUTION OF THE TROY INDUSTRIAL DEVELOPMENT AUTHORITY (THE "AUTHORITY") (i) ACCEPTING THE APPLICATION OF HV HOUSING, LLC SUBMITTED ON BEHALF OF DAIGLE DEVELOPMENT, LLC (THE "COMPANY") IN CONNECTION WITH A CERTAIN PROJECT (AS MORE FULLY DEFINED BELOW); (ii) AUTHORIZING THE SCHEDULING, NOTICE AND CONDUCT OF A PUBLIC HEARING WITH RESPECT TO THE PROJECT; AND (iii) DESCRIBING THE FORMS OF FINANCIAL ASSISTANCE BEING CONTEMPLATED BY THE AUTHORITY WITH RESPECT TO THE PROJECT

WHEREAS, by Title 11 of Article 8 of the Public Authorities Law of the State of New York, as amended, and Chapter 759 of the Laws of 1967 of the State of New York, as amended (hereinafter collectively called the "Act"), the **TROY INDUSTRIAL DEVELOPMENT AUTHORITY** (hereinafter called the "Authority") 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, **DAIGLE DEVELOPMENT, LLC**, for itself and/or on behalf of an entity to be formed (collectively, the "Company"), has requested the Authority's assistance with a certain project (the "Project") consisting of (i) the acquisition by the Authority of a leasehold interest in two parcels of real property located at 40-42 and 44 River Street, Troy, New York 12180 (the "Land", being more particularly identified as TMID Nos. 100.76-5-14 and 100.76-5-15) and the existing approximately 5,000 square foot building and parking improvements located thereon (the "Existing Improvements"), (ii) the planning, design, engineering, construction, renovation and refurbishment of the Existing Improvements by the Company to create a multi-tenanted commercial office building, along with related common area space, related exterior access and egress improvements, parking, curbage, site work and landscaping improvements (collectively, the "Improvements"), and (iii) the acquisition and installation by the Company in and around the Land, Existing Improvements and Improvements of certain items of equipment and other tangible personal property necessary and incidental in connection with the Company's development of the Project (the "Equipment", and collectively with the Land, the Existing Improvements and the Improvements, the "Facility"); and

WHEREAS, pursuant to the Act, the Authority desires to adopt a resolution describing the Project and the Financial Assistance (as hereinafter defined) that the Authority is contemplating with respect to the Project; and

WHEREAS, it is contemplated that the Authority will (i) accept the Application submitted by the Company; (ii) approve the scheduling, notice and conduct of a Public Hearing with respect to the Project; and (iii) approve the negotiation, but not the execution or delivery, of certain documents in furtherance of the Project, as more fully described below.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE TROY INDUSTRIAL DEVELOPMENT AUTHORITY AS FOLLOWS:

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

(A) By virtue of the Act, the Authority 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 Authority has the authority to take the actions contemplated herein under the Act; and

(C) The action to be taken by the Authority will induce the Company to develop the Project, and otherwise furthering the purposes of the Authority as set forth in the Act; and

(D) The Project will not result in the removal of a 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 Authority 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; and

Section 2. The proposed Financial Assistance being contemplated by the Authority includes (i) a sales and use tax exemption for materials, supplies and rentals acquired or procured in furtherance of the Project by the Company as agent of the Authority; (ii) mortgage recording tax exemption(s) in connection with secured financings undertaken by the Company in furtherance of the Project; and (iii) an abatement or exemption from real property taxes levied against the Land and Facility pursuant to a PILOT Agreement to be negotiated.

Section 3. The Chairman, Vice Chairman, and/or Executive Director/Chief Executive Officer of the Authority are hereby authorized, on behalf of the Authority, to schedule, notice and conduct a public hearing in compliance with the Act and negotiate (but not execute or deliver) the terms of (A) a Lease Agreement, pursuant to which the Company leases the Project to the Authority (or, a Deed of conveyance to the Authority whereby the Authority will acquire fee title to the Land and Project), (B) a related Leaseback Agreement, pursuant to which the Authority leases its interest in the Project back to the Company, (C) a PILOT Agreement, pursuant to which the Company agrees to make certain payments in-lieu-of real property taxes, and (D) related documents thereto; *provided* (i) the rental payments under the Leaseback Agreement include payments of all costs incurred by the Authority arising out of or related to the Project and indemnification of the Authority 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 Authority's Uniform Tax Exemption Policy or the procedures for deviation have been complied with.

Section 4. The officers, employees and agents of the Authority are hereby authorized and directed for and in the name and on behalf of the Authority 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 Authority with all of the terms, covenants and provisions of the documents executed for and on behalf of the Authority.

Section 5. These Resolutions shall take effect immediately.

SECRETARY'S CERTIFICATION

STATE OF NEW YORK)
COUNTY OF RENSSELAER)

I, Denee Zeigler, the undersigned, Secretary of the Troy Industrial Development Authority (the "Authority"), do hereby certify that I have compared the foregoing extract of the minutes of the meeting of the members of the Authority, including the Resolution contained therein, held on May 20, 2016, 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 Authority 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 Authority 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 Authority this 20th day of May, 2016.



Denee C Zeigler

(SEAL)

AUTHORIZING RESOLUTION
*(Troy Living LLC Project –
 Assignment to Irving Ave 158 LLC)*

A regular meeting of the Troy Industrial Development Authority (the “Authority”) was convened on May 20, 2016, at 10:00 a.m., local time, at 433 River Street, 5th Floor, Troy, New York 12180.

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

<u>MEMBER</u>	<u>PRESENT</u>	<u>ABSENT</u>
Kevin O’Bryan	X	
Hon. Dean Bodnar	X	
Hon. Robert Doherty	X	
Steve Bouchey	X	
Louis Anthony	X	
Paul Carroll	X	
Adam Hotaling		X
Susan Farrell	X	
Tina Urzan	X	

The following persons were ALSO PRESENT: Ken Crowe, Derek Foster, Michael Uccellini, Tom Uccellini, Tim Haskins, Jeff Pfeil, Deanne Pfeil, Mary Ellen Flores, James Lozano, Deanne DalPos, Angelo Grasso, Erica Grasso, Justin Miller and Denee Zeigler

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to a project previously undertaken for the benefit of Troy Living, LLC.

On motion duly made by Steve Bouchey and seconded by Tina Urzan, the following resolution was placed before the members of the Troy Industrial Development Authority:

Member	Aye	Nay	Abstain	Absent
Kevin O’Bryan	X			
Hon. Dean Bodnar	X			
Hon. Robert Doherty	X			
Steve Bouchey	X			
Louis Anthony	X			
Paul Carroll	X			
Adam Hotaling				X
Susan Farrell	X			
Tina Urzan	X			

Resolution No. 05/16 #2

RESOLUTION OF THE TROY INDUSTRIAL DEVELOPMENT AUTHORITY (THE "AUTHORITY") (i) AUTHORIZING THE ASSIGNMENT OF CERTAIN DOCUMENTS IN CONNECTION WITH A CERTAIN PROJECT (AS FURTHER DEFINED HEREIN) PREVIOUSLY UNDERTAKEN FOR THE BENEFIT OF TROY LIVING, LLC (THE "COMPANY") TO IRVING AVENUE 158 LLC (THE "ASSIGNEE"); AND (ii) AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS AND AGREEMENTS RELATING THERETO

WHEREAS, by Title 11 of Article 8 of the Public Authorities Law of the State of New York, as amended, and Chapter 759 of the Laws of 1967 of the State of New York, as amended (hereinafter collectively called the "Act"), the **TROY INDUSTRIAL DEVELOPMENT AUTHORITY** (hereinafter called the "Authority") 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, the Authority previously appointed **TROY LIVING, LLC** (the "Company") as agent to undertake a certain project (the "Project") consisting of (A) the acquisition by the Authority of a leasehold or other interest certain real property located at 63-65 Third Street, City Troy, New York (the "Land") and the existing improvements located thereon, including the approximately 44,000 square foot building located on the Land (the "Existing Facility"); (B) the renovation of the Existing Facility, (C) the construction of an underground attached parking facility (the "Parking Facility") and together with the Existing Facility, the "Facility"), (D) the acquisition of and installation in the Facility of certain equipment (the "Equipment" and, together with the Land and Facility, the "Project Facility") collectively with the Land, the Existing Improvements and the Improvements, the "Facility"), and (E) the lease of the Authority's interest in the Facility back to the Company; and

WHEREAS, by resolution adopted June 27, 2007, the Authority authorized the undertaking of the Project and pursuant to which the Authority and the Company entered into a certain Company Lease Agreement, Lease Agreement, and PILOT Agreement and related documents, each dated as of June 1, 2017 (collectively, the "Authority Documents"); and

WHEREAS, pursuant to the Lease Agreement, and in connection with the sale of the Project Facility, the Company has requested the Authority's approval of the proposed assignment of the Authority Documents (the "Assignment") to Irving Ave 158 LLC (the "Assignee"); and

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE TROY INDUSTRIAL DEVELOPMENT AUTHORITY AS FOLLOWS:

Section 1. Subject to (i) the Company and Assignee executing an Assignment and Assumption Agreement (the "Assignment Agreement"), (ii) the delivery to the Authority of a

binder, certificate or other evidence of liability insurance policy for the Project satisfactory to the Authority, and (iii) compliance with the Lease Agreement, the Authority hereby authorizes the Assignment of the Authority Documents to the Assignee. The Authority hereby finds that the Assignment constitutes a Type II Action, as defined within the State Environmental Quality Review Act (“SEQRA”) and regulations adopted pursuant thereto at 6 NYCRR Part 617.5(c)(26) whereby the Assignment constitutes a transfer of leasehold rights with no material change in permitted conditions or activities.

Section 2. The Chairman, Vice Chairman, and/or Executive Director/Chief Executive Officer of the Authority are hereby authorized, on behalf of the Authority, to execute, deliver the Assignment Agreement and related documents; provided the rental payments under the Leaseback Agreement, as assigned, and the Assignment Agreement include payments of all costs incurred by the Authority arising out of or related to the Project and prospective indemnification of the Authority by the Assignee for actions taken by the Assignee and/or claims arising out of or related to the Project.

Section 3. The Chairman, Vice Chairman and/or the Executive Director/Chief Executive Officer of the Authority are hereby further authorized, on behalf of the Authority, and to the extent necessary, 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 or required by any lender identified by the Assignee (the “Lender”) up to a maximum principal amount necessary to undertake the Project and/or finance/refinance acquisition and Project costs, equipment and other personal property and related transactional costs, and, where appropriate, the Secretary or Assistant Secretary of the Authority is hereby authorized to affix the seal of the Authority to the Authority Documents and to attest the same, all with such changes, variations, omissions and insertions as the Chairman, Vice Chairman and/or the Executive Director/Chief Executive Officer of the Authority shall approve, the execution thereof by the Chairman, Vice Chairman or the Executive Director/Chief Executive Officer of the Authority to constitute conclusive evidence of such approval; provided, in all events, recourse against the Authority is limited to the Authority’s interest in the Project.

Section 4. The officers, employees and agents of the Authority are hereby authorized and directed for and in the name and on behalf of the Authority 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 Authority with all of the terms, covenants and provisions of the documents executed for and on behalf of the Authority.

Section 5. These Resolutions shall take effect immediately.

SECRETARY'S CERTIFICATION

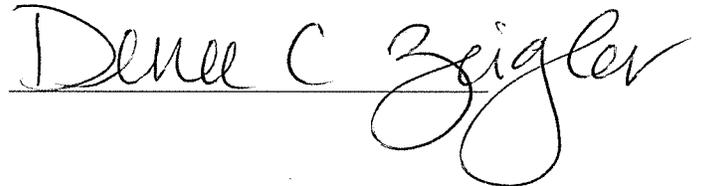
STATE OF NEW YORK)
COUNTY OF RENSSELAER)

I, Denee Zeigler, the undersigned, Secretary of the Troy Industrial Development Authority (the "Authority"), do hereby certify that I have compared the foregoing extract of the minutes of the meeting of the members of the Authority, including the Resolution contained therein, held on May 20, 2016 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 Authority 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 Authority 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 Authority this 20th day of May, 2016.

A handwritten signature in black ink that reads "Denee C Zeigler". The signature is written in a cursive style and is positioned above a horizontal line.

(SEAL)

PROJECT AUTHORIZING RESOLUTION
(*HV Housing, LLC Project*)

A regular meeting of the Troy Industrial Development Authority (the “Authority”) was convened on May 20, 2016, at 10:00 a.m., local time, at 433 River Street, Troy, New York 12180.

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

<u>MEMBER</u>	<u>PRESENT</u>	<u>ABSENT</u>
Kevin O’Bryan	X	
Hon. Dean Bodnar	X	
Hon. Robert Doherty	X	
Steve Bouchey	X	
Louis Anthony	X	
Paul Carroll	X	
Adam Hotaling		X
Susan Farrell	X	
Tina Urzan	X	

The following persons were ALSO PRESENT: Ken Crowe, Derek Foster, Michael Uccellini, Tom Uccellini, Tim Haskins, Jeff Pfeil, Deanne Pfeil, Mary Ellen Flores, James Lozano, Deanne DalPos, Angelo Grasso, Erica Grasso, Justin Miller and Denee Zeigler

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to a proposed project for the benefit of HV Housing, LLC, for itself or an entity to be formed.

On motion duly made by Tina Urzan and seconded by Dean Bodnar, the following resolution was placed before the members of the Troy Industrial Development Authority:

Member	Aye	Nay	Abstain	Absent
Kevin O’Bryan	X			
Hon. Dean Bodnar	X			
Hon. Robert Doherty	X			
Steve Bouchey	X			
Louis Anthony	X			
Paul Carroll	X			
Adam Hotaling				X
Susan Farrell	X			
Tina Urzan	X			

Resolution No. 06/16 #3

RESOLUTION OF THE TROY INDUSTRIAL DEVELOPMENT AUTHORITY (THE "AUTHORITY") (i) AUTHORIZING THE UNDERTAKING OF A CERTAIN PROJECT (AS FURTHER DEFINED HEREIN) FOR THE BENEFIT OF HV HOUSING, LLC (THE "COMPANY") IN CONNECTION WITH A CERTAIN PROJECT; (ii) ADOPTING FINDINGS PURSUANT TO THE STATE ENVIRONMENTAL QUALITY REVIEW ACT ("SEQRA") WITH RESPECT TO THE PROJECT; AND (iv) AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS AND AGREEMENTS RELATING TO THE PROJECT

WHEREAS, by Title 11 of Article 8 of the Public Authorities Law of the State of New York, as amended, and Chapter 759 of the Laws of 1967 of the State of New York, as amended (hereinafter collectively called the "Act"), the **TROY INDUSTRIAL DEVELOPMENT AUTHORITY** (hereinafter called the "Authority") 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, **HV HOUSING, LLC**, for itself and/or on behalf of an entity to be formed (collectively, the "Company"), has requested the Authority's assistance with a certain project (the "Project") consisting of (i) the acquisition by the Authority of a leasehold interest in approximately 13 acres of real property located at 45 Vandenburg Avenue at the corner of Morrison Avenue and Vandenburg Avenue, Troy, New York 12180 (the "Land", being more particularly identified as a portion of TMID No. 112.69-1-10) and the existing site and infrastructure improvements located thereon being comprised of five (5) buildings containing approximately 91,793 square feet of space along with existing site improvements (the "Existing Improvements"), (ii) the demolition of portions of the Existing Improvements and the planning, design, engineering, construction, operation and maintenance upon the Land and around the Existing Improvements of a four (4) story residential facility including seventy-two (72) units of rental residential housing containing 268 beds along with related common area space, related exterior access and egress improvements, parking, curbage, site work and landscaping improvements (collectively, the "Improvements"), and (iii) the acquisition and installation by the Company in and around the Existing Improvements and Improvements of certain items of equipment and other tangible personal property necessary and incidental in connection with the Company's development of the Project in and around the Land, Existing Improvements and Improvements (the "Equipment", and collectively with the Land, the Existing Improvements and the Improvements, the "Facility"); and

WHEREAS, by resolution adopted April 22, 2016 (the "Initial Project Resolution"), the Authority (i) accepted the Application submitted by the Company, (ii) authorized the scheduling, notice and conduct of a public hearing with respect to the Project (the "Public Hearing"), and

(iii) described the forms of financial assistance being contemplated by the Authority with respect to the Project (the “Financial Assistance”, as more fully described herein); and

WHEREAS, pursuant to the Initial Project Resolution, the Authority duly scheduled, noticed and conducted the Public Hearing at 10:00 a.m. on May 13, 2016 whereat all interested persons were afforded a reasonable opportunity to present their views, either orally or in writing on the location and nature of the Facility and the proposed Financial Assistance to be afforded the Company in connection with the Project (a copy of the Minutes of the Public Hearing, proof of publication and delivery of Notice of Public Hearing being attached hereto as **Exhibit A**); and

WHEREAS, pursuant to application by the Company, Hudson Valley Community College (“HVCC”), as lead agency pursuant to the State Environmental Quality Review Act and regulations adopted pursuant thereto (collectively, “SEQRA”), previously reviewed the Project and adopted a negative declaration (the “Negative Declaration”) with respect to the Project, a copy of which is attached hereto as **Exhibit B**; and

WHEREAS, the Authority and Company have negotiated the terms of an Agent and Financial Assistance and Project Agreement (the “Agent Agreement”), a Lease Agreement (the “Lease Agreement”), related Leaseback Agreement (the “Leaseback Agreement”) and related Payment-in-lieu-of-Tax Agreement (the “PILOT Agreement”), and, subject to the conditions set forth within this resolution, it is contemplated that the Authority will (i) acquire a leasehold interest in the Land and Existing Improvements pursuant to the Lease Agreement, (ii) appoint the Company agent of the Authority to undertake the Project and lease the Land, Existing Improvements, Improvements and Equipment constituting the Facility to the Company for the term of the Leaseback Agreement and PILOT Agreement, and (ii) provide certain forms of Financial Assistance to the Company, including (a) mortgage recording tax exemption(s) relating to one or more financings secured in furtherance of the Project; (b) a sales and use tax exemption for purchases and rentals related to the construction and equipping of the Project; and (c) a partial real property tax abatement structured through the PILOT Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE TROY INDUSTRIAL DEVELOPMENT AUTHORITY AS FOLLOWS:

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

(A) By virtue of the Act, the Authority 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 Authority has the authority to take the actions contemplated herein under the Act; and

(C) The action to be taken by the Authority will induce the Company to develop the Project, thereby increasing employment opportunities in the City of Troy, New York, and otherwise furthering the purposes of the Authority 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 Authority 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; and

(E) The Authority has reviewed the Negative Declaration adopted by HVCC and determined the Project involves a Type I as said term is defined under SEQRA. The review is uncoordinated. Based upon the review by the Authority of the Negative Declaration, related Environmental Assessment Form (the “EAF”) and related documents delivered by the Company to the Authority and other representations made by the Company to the Authority in connection with the Project, the Authority hereby ratifies the SEQRA determination made by HVCC and the Authority further 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 such quoted terms are defined in SEQRA; and (iii) no “environmental impact statement” as such quoted term is defined in SEQRA, need be prepared for this action. This determination constitutes a negative declaration in connection with the Authority’s sponsorship and involvement with the Project for purposes of SEQRA.

Section 2. The Authority hereby accepts the Minutes of the Public Hearing and approves the provision of the proposed Financial Assistance to the Company, including (i) a sales and use tax exemption for materials, supplies and rentals acquired or procured in furtherance of the Project by the Company as agent of the Authority; (ii) mortgage recording tax exemption(s) in connection with secured financings undertaken by the Company in furtherance of the Project; and (iii) an abatement or exemption from real property taxes levied against the Land and Facility pursuant to a PILOT Agreement.

Section 3. Subject to the Company executing the Leaseback Agreement and/or a related Agent Agreement, along with the delivery to the Authority of a binder, certificate or other evidence of liability insurance policy for the Project satisfactory to the Authority, the Authority hereby authorizes the undertaking of the Project, including the acquisition of a leasehold interest in the Land and Existing Improvements pursuant to the Lease Agreement and related recording documents, the form and substance of which shall be approved as to form and content by counsel to the Authority. Subject to the within conditions, the Authority further authorizes the execution and delivery of the Leaseback Agreement, wherein the Company is authorized to undertake the construction and equipping of the Improvements and hereby appoints the Company as the true and lawful agent of the Authority: (i) to acquire, construct and equip the Improvements and acquire and install the Equipment; (ii) to make, execute, acknowledge and deliver any contracts,

orders, receipts, writings and instructions, as the stated agent for the Authority 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 Authority could do if acting in its own behalf.

Based upon the representation and warranties made by the Company the Application, the Authority 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 \$400,000.00, which result in New York State and local sales and use tax exemption benefits (“sales and use tax exemption benefits”) not to exceed \$5,000,000.00. The Authority agrees to consider any requests by the Company for increase to the amount of sales and use tax exemption benefits authorized by the Authority upon being provided with appropriate documentation detailing the additional purchases of property or services, and, to the extent required, the Authority authorizes and conducts any supplemental public hearing(s).

Pursuant to Section 1963-b of the Act, the Authority 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 Authority 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 Authority 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 Authority 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, mortgage recording 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 Authority, cooperate with the Authority in its efforts to recover or recapture any sales and use tax exemption benefits, mortgage recording tax benefits and/or real property tax abatements abatement benefits, and (ii) promptly pay over any such amounts to the Authority that the Authority demands, if and as so required to be paid over as determined by the Authority.

Section 4. The Chairman, Vice Chairman, and/or Executive Director/Chief Executive Officer of the Authority are hereby authorized, on behalf of the Authority, to execute, deliver (A) the Agent Agreement, wherein the Authority will appoint the Company as agent to undertake the Project, (B) the Lease Agreement, pursuant to which the Company will lease its interest in the Land, Existing Improvements, Improvements and Equipment constituting the Facility to the Authority, (C) the Leaseback Agreement, pursuant to which the Authority will lease its interest in the Land, Existing Improvements, Improvements and Equipment constituting the Facility back to the Company, (D) the PILOT Agreement pursuant to which the Company shall be required to make certain PILOT Payments to the Authority for the benefit of the Affected Taxing Jurisdictions (along with a related PILOT Mortgage Agreement, or in the discretion of the Executive Director, a sufficient guaranty of performance under the Leaseback Agreement and PILOT Agreement), and (E) related documents, including, but not limited to, Sales Tax Exemption Letter(s), Bills(s) of Sale and related instruments; provided the rental payments under the Leaseback Agreement include payments of all costs incurred by the Authority arising out of or related to the Project and indemnification of the Authority by the Company for actions taken by the Company and/or claims arising out of or related to the Project.

Section 5. The Chairman, Vice Chairman and/or the Executive Director/Chief Executive Officer of the Authority are hereby further authorized, on behalf of the Authority, and to the extent necessary, 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 or required by any lender identified by the Company (the "Lender") up to a maximum principal amount necessary to undertake the Project and/or finance/refinance acquisition and Project costs, equipment and other personal property and related transactional costs, and, where appropriate, the Secretary or Assistant Secretary of the Authority is hereby authorized to affix the seal of the Authority to the Authority Documents and to attest the same, all with such changes, variations, omissions and insertions as the Chairman, Vice Chairman and/or the Executive Director/Chief Executive Officer of the Authority shall approve, the execution thereof by the Chairman, Vice Chairman or the Executive Director/Chief Executive Officer of the Authority to constitute conclusive evidence of such approval; provided, in all events, recourse against the Authority is limited to the Authority's interest in the Project.

Section 6. The officers, employees and agents of the Authority are hereby authorized and directed for and in the name and on behalf of the Authority 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 Authority with all of the terms, covenants and provisions of the documents executed for and on behalf of the Authority.

Section 7. These Resolutions shall take effect immediately.

SECRETARY'S CERTIFICATION

STATE OF NEW YORK)
COUNTY OF RENSSELAER)

I, Denee Zeigler, the undersigned, Secretary of the Troy Industrial Development Authority (the "Authority"), do hereby certify that I have compared the foregoing extract of the minutes of the meeting of the members of the Authority, including the Resolution contained therein, held on May 20, 2016, 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 Authority 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 Authority 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 Authority this 20th day of May, 2016.



(SEAL)

EXHIBIT A
PUBLIC HEARING MATERIALS

EXHIBIT B
SEQRA MATERIALS