

Troy Industrial Development Authority

February 17, 2017

10:00 AM

Meeting Minutes

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

Absent: Hon. Dean Bodnar and Adam Hotaling

Also in attendance: Justin Miller, Cheryl Kennedy, Laura Wells, Jim Lozano, Deanne DalPos, Lucas Nathan, Susan Dunckel, Sharon Martin, Tom Sawyer, Minesh Patel and Denee Zeigler.

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

I. Minutes

The board reviewed the minutes from the January 20, 2017 board meeting.

Tina Urzan made a motion to approve the January 20, 2017 meeting minutes.

Paul Carroll seconded the motion, motion carried.

The IDA portion of the meeting was adjourned at 10:03 a.m. in order to hold the public hearing for the Troy Lodging Associates, LLC.

Paul Carroll made a motion to adjourn the regular IDA portion of the meeting.

Tina Urzan seconded the motion, motion carried.

II. Troy Lodging Associates, LLC – Public hearing was opened at 10:03 a.m. (see attached public hearing agenda)

The IDA portion of the meeting was reconvened at 10:22 a.m.

Brian Carroll made a motion to reconvene the IDA portion of the meeting.

Tina Urzan seconded the motion, motion carried.

III. Troy Lodging Associates, LLC – Authorizing Resolution

Mr. Miller advised that this the final step in the approval process for Troy Lodging Associates, LLC. Ms. Urzan asked about the timeframe. Mr. Sawyer advised that they are looking to start construction late summer/early fall 2017. He advised that a typical project takes 10 months, but this project is a little more involved than some of the other ones so it will run about 13-14 months. They want to try and be open before graduation 2018.

Mr. Doherty commented on a common thought that IDA's give away money to projects and clarified that we are really increasing the tax benefit to Troy by developing a vacant lot and bringing in a vendor that will benefit the community. We, as an IDA board, need to explain to people that our activities increase the tax rolls at times when a project might be restricted financially. The chairman agreed and advised that is correct. Mr. Strichman advised that this PILOT was structured specifically to offset their additional costs. The chairman advised that developers have choices to go wherever they want. The risk tolerance of developers gets under reported. He added that this project site was a vacant lot. Mr. Strichman added that this project will help to connect the downtown and the areas above it. The chairman wanted to note that this board has had great commentary throughout this process. (See attached Resolution 02/17 #1)

Paul Carroll made a motion to approve the authorizing resolution for Troy Lodging Associates, LLC.

Tina Urzan seconded the motion, motion carried.

IV. IDA City Staffing reimbursement

Mr. Strichman advised that the IDA has received an invoice from the city for 2016 staffing reimbursements in the amount of \$100,000. He noted that there was no formal board approval but the amount was discussed during the budget process. Mr. Carroll noted that the amount was also included in the 2015 budget as an expense. He advised that we never got billed so we never paid. The board agreed. Mr. Carroll asked if the board had any issues with the amounts in previous years. The board advised that the amount was discussed in great detail and they would like the amount to accurately represent the work done each year, not just a guaranteed flat rate each year. Mr. Lozano advised that we did receive a bill at the beginning this year. Mr. Strichman noted that there were staffing changes in each department. Ms. Urzan asked if the amount we paid for staff was separate from that billed amount. Mr. Strichman advised yes. Mr. Doherty advised that, in essence, we will pay them twice in 2016 due to the payment being late. The chairman advised that the addition of CFO for Hire has helped to clarify the process.

Hon. Bob Doherty made a motion to approve the city staffing reimbursement of for 2016 in the amount of \$100,000.

Paul Carroll seconded the motion, motion carried.

V. CFO for Hire

Mr. Strichman advised that there is a price increase for the financial services that they are providing to us. The amount of the increase is \$216 per year.

Tina Urzan made a motion to approve the increase of \$216 per year to CFO for Hire.

Brian Carroll seconded the motion, motion carried.

VI. Grant Software

Mr. Strichman advised that we talked about this last month and Laura is back with three quotes. Ms. Welles advised that we have additional quotes which have been circulated to the board members. She also advised that she received

an answer to a question from the last meeting regarding canceling the services if needed. Ms. Welles advised that if we are not happy with the services, we can cancel at any time with no penalties.

Ms. Welles advised that she was able to find a user who had switched to eCivis from Amplifund. She advised Columbus State Community College has \$34 Million in grants; a combination of state, federal and private. Ms. Welles advised that they said eCivis offers a smoother overall process and they noted that they are very happy with it. She added that eCivis was designed for government type agencies. Mr. Carroll advised that he also went online and looked at eCivis and he found that one of the municipalities in western NY will work with not for profit/private sectors to use the software as long as you meet the requirements. Ms. Welles advised that we may be able to offer something similar for a small fee and it will help community groups to search for grants. Mr. Doherty asked if there are any other government agencies that utilize the software and what did they think of it. Mr. Carroll advised that he read through the comments and most were from local governments and were positive. Ms. Welles advised that this will make our search process more efficient and will allow more time to write the grants. Ms. Urzan noted that there will be up to ten users; do we know who the ten will be and will there be training sessions. Ms. Welles advised that they will come from a few different departments.

Hon. Bob Doherty made a motion to provide half of the funding for eCivis grant software.

Tina Urzan seconded the motion, motion carried.

VII. Auditor's RFP - Bonadio Group

Mr. Strichman advised that an RFP was sent out for auditing services and we received one response from a firm that was not able to meet the time constraints, one on time and one that was for less, but was late. He advised that a more detailed RFP will be sent out for next year. Mr. Strichman noted that the cost for the IDA will be \$7,150.

Susan Farrell made a motion to approve \$7,150 to be paid to The Bonadio Group for auditing services.

Tina Urzan seconded the motion, motion carried.

VIII. Executive Director

Mr. Strichman advised that he spoke with Mr. Bette regarding the project at 515 River Street and they will be heading back to the planning at the end of March. He advised that they are working together to resolve the bike trail issues.

Mr. Strichman gave a status update on the Mlock parcel and advised we may have some items to discuss in executive session. He did advise that we are going to do an appraisal of that property which will cost about \$2,600.

IX. Financials

Mr. Lozano advised that there was not much activity in January with about \$915,000 in assets with almost no liabilities, leaving \$915,000 in equity. He

added that a couple of early PILOTs caused a negative balance in accounts receivable, but other than that there were very little changes.

Mr. Lozano advised that there is one administration fee that was collected for \$141,000 in January. He added very little in expenses, which caused us to have a surplus for the month of \$40,000.

The chairman noted that there are several projects in the pipeline and we should start seeing them in next few months.

**Tina Urzan made a motion to accept the financials as presented.
Lou Anthony seconded the motion, motion carried.**

X. Adjourn the IDA portion

The chairman noted that we have a CRC agenda to discuss.

**Susan Farrell made a motion to adjourn the IDA portion of the meeting and convened the CRC.
Lou Anthony seconded the motion, motion carried.**

The IDA was adjourned at 10:54 a.m.

The IDA was reconvened at 11:18 a.m.

XI. New Business

Mr. Strichman advised there is no new business.

XII. Old Business

Mr. Strichman noted that there is an item that we will need to discuss in executive session.

**Hon. Bob Doherty made a motion to enter into executive session in order discuss the proposed acquisition, sale or lease of real property.
Brian Carroll seconded the motion, motion carried.**

The board returned from executive session with no action taken.

XIII. Adjournment

With no other items to discuss, the IDA portion of the meeting was adjourned at 11:45 a.m.

**Hon. Bob Doherty made a motion to adjourn the IDA meeting.
Lou Anthony seconded the motion, motion carried.**

PUBLIC HEARING AGENDA
TROY INDUSTRIAL DEVELOPMENT AUTHORITY
TROY LODGING ASSOCIATES LLC
FEBRUARY 17, 2017 AT 10:00 A.M.
CITY HALL, 433 RIVER STREET, 5TH FLOOR, TROY, NEW YORK 12180

Report of the public hearing of the Troy Industrial Development Authority (the “Authority”) regarding the Troy Lodging Associates LLC Project held on Friday February 17, 2017 at 10:00 a.m., at the Troy City Hall, located at 433 River Street, 5th Floor, Troy, New York 12180.

I. ATTENDANCE

Steven Strichman, Executive Director
Kevin O’Bryan, Chairman
Brian Carroll, Vice Chairman
Hon. Robert Doherty, Board Member
Tina Urzan, Board Member
Susan Farrell, Board Member
Paul Carroll, Board Member
Lou Anthony, Board Member
Justin Miller, Harris Beach
Cheryl Kennedy, City of Troy Economic Development Coordinator
Laura Welles, City of Troy Grant Writer
Jim Lozano, CFO for Hire
Deanne DalPos, General Public
Lucas Nathan, General Public
Susan Dunkel, General Public
Sharon Martin, City of Troy Assessor
Tom Sawyer, Company Representative
Minesh Patel, Company Representative
Denee Zeigler, Acting Secretary

II. CALL TO ORDER: (Time: 10:03 a.m.). Kevin O’Bryan opened the hearing and Justin Miller read the following into the hearing record:

This public hearing is being conducted pursuant to 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 (collectively, the “Act”). A Notice of Public Hearing describing the Project was published in *Troy Record*, a copy of which is attached hereto and is an official part of this transcript. A copy of the Application submitted by Troy Lodging Associates LLC to the Authority, along with a cost-benefit analysis, is available for review and inspection by the general public in attendance at this hearing.

III. PROJECT SUMMARY

WHEREAS, TROY LODGING ASSOCIATES 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 .75 acres of real property located at 1610 Sixth Avenue, Troy, New York 12180 (the “Land”, being more particularly identified as TMID No. 101.62-1-1) and the existing parking, site and infrastructure improvements located thereon (the “Existing Improvements”), (ii) the planning, design, engineering, construction, and improvement of the Land and Existing Improvements into a five story hotel facility comprised of approximately 45,000 square feet and 98 hotel rooms, along with a first floor parking garage, exterior access and egress improvements, curbage, utility and related exterior improvements (collectively, the “Improvements”), (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 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 (iv) the lease of the Facility to the Company.

It is contemplated that the Authority will acquire a leasehold interest in the Facility and lease the Facility back to the Company. The Company will operate the Facility during the term of the leases. The Authority contemplates that it will provide financial assistance (the “Financial Assistance”) to the Company in the form of (a) a sales and use tax exemption for purchases and rentals related to the Project; (b) mortgage recording tax exemptions(s) related to financings undertaken by the Company to construct the Facility; and (c) a partial real property tax abatement structured through a PILOT Agreement. The foregoing Financial Assistance and the Authority’s involvement in the Project are being considered to promote the economic welfare and prosperity of residents of the City of Troy, New York. The Authority contemplates providing a PILOT Agreement with a term of Twenty (20) years.

IV. AGENCY COST-BENEFIT ANALYSIS:

The Company Application for Financial Assistance indicates a total project cost of approximately \$9,000,000. Based upon additional information provided by the Company, the Agency estimates the following amounts of financial assistance to be provided to the Company:

Mortgage Recording Tax Exemption	=	\$ 91,250.00
Sales and Use Tax Exemptions	=	\$ 376,000.00
Estimated PILOT Savings	=	\$2,367,415.19
Total estimated Financial Assistance	=	<u>\$ 2,834,665.19</u>

IV. SEQRA:

For purposes of the Project, the City Planning Commission served as lead agency for purposes of review pursuant to SEQRA.

VI. PUBLIC COMMENTS

Mr. Strichman advised he needs clarification on the additional stairwell and the number of rooms. Mr. Patel advised that they were at 101 and lowered it to 98 based on recommendations from the Fire Chief. Ms. Urzan asked for additional information on the estimated 9-20 employees that they were going to create. Mr. Patel advised that he did not want to over commit so they settled on 15 FTE's. He added that his other hotels were between 15 - 30 FTE's.

Ms. Urzan asked about the underground parking and how traffic will be impacted. Mr. Patel handed out renderings of the project site and introduced their construction manager, Tom Sawyer. Mr. Sawyer explained that traffic will enter into the parking garage on Sixth Ave with additional, overflow parking available on Seventh Ave. Mr. Patel added that the peak check-in time is between 6 – 7 p.m. Ms. Urzan asked when the check in time would be. Mr. Patel advised 3 p.m., however, the majority of people will check in later during the peak times. Ms. Urzan asked how the underground parking would be set up and if it would back up into traffic. Mr. Patel advised that the gate/door will be activated with a room key.

Mr. Doherty talked about the nearby building designs of new and old buildings. He asked if they have taken time to make sure it blends in with the surrounding buildings. Mr. Patel advised that this model differs greatly from their model; must balance input from the city and the brand. Mr. Patel advised they also took into consideration suggestions from the planning board. Mr. Sawyer advised that they have added some stonework, at an additional cost, to add some aesthetic. The chairman asked if it will blend with the City Station buildings. Mr. Sawyer advised that it will both fit in and stand out from the rest.

Mr. Strichman noted the difficulty fitting the building on Sixth Avenue which is not the front of the building. The chairman noted that this is currently a vacant lot that is going to be developed. Mr. Sawyer advised where to find the details of the room and lobby layout in the packet of information he handed out. Mr. Patel advised that this to be a trendy millennial space that will get the guests out of their rooms to socialize in the lobby. Mr. Sawyer added that there will be an exterior, elevated patio that will be on Sixth Ave. Mr. Doherty asked if each room will be fitted with microwaves and coffee pots. Mr. Patel advised that they are looking into this. They really want to bring people out of their rooms and into the common space. Mr. Doherty thanked them for their presentations and their commitment to the communities they come to.

Ms. DalPos asked about the parking. Mr. Patel advised that there will be room for 95 parking spaces in the garage and any overflow will be on 7th Avenue. Ms. DalPos asked if any of the parking will be shared. Mr. Patel advised that we will evaluate and if it becomes available, they may offer spaces during their off hours. He added that first off, it will be for the guests. Ms. Urzan asked if the employees will also be parking there also; it seems like between guests and employees there may not be extra spaces. Mr. Patel advised that the bulk of employees are there during the day and the guests usually come later, but he will not know the peak times until it is open and running.

Mr. Nathan asked about the salary range of the employees. Mr. Patel advised that there is a general manager; the salary ranges between \$50-75,000 plus benefits. He advised that the housekeeping team is \$10-\$11/hour with no benefits.

Mr. Nathan asked if this project would have happened without IDA assistance. Mr. Patel advised not with this design. He advised that the site itself is very small, but in a good location. He advised that there have been a lot of additional cost due to the parking garage, logistical challenges and the addition of the staircase. The board noted that if we were not able to grant the benefits there is another IDA that they would be able to reach out to for possible benefits.

VII. ADJOURNMENT

As there were no comments, the public hearing was closed at 10:22 a.m.

PROJECT AUTHORIZING RESOLUTION
(Troy Lodging Associates LLC Project)

A regular meeting of the Troy Industrial Development Authority (the “Authority”) was convened on February 17, 2017 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: Justin Miller, Cheryl Kennedy, Laura Wells, Jim Lozano, Deanne DalPos, Lucas Nathan, Susan Dunckel, Sharon Martin, Tom Sawyer, Minesh Patel 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 Troy Lodging Associates LLC, for itself or an entity to be formed.

On motion duly made by Paul Carroll 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. 02/17 #1

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 TROY LODGING ASSOCIATES LLC (THE "COMPANY"); (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, **TROY LODGING ASSOCIATES 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 .75 acres of real property located at 1610 Sixth Avenue, Troy, New York 12180 (the "Land", being more particularly identified as TMID No. 101.62-1-1) and the existing parking, site and infrastructure improvements located thereon (the "Existing Improvements"), (ii) the planning, design, engineering, construction, and improvement of the Land and Existing Improvements into a five story hotel facility comprised of approximately 45,000 square feet and 98 hotel rooms, along with a first floor parking garage, exterior access and egress improvements, curbage, utility and related exterior improvements (collectively, the "Improvements"), (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 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 (iv) the lease of the Facility to the Company; and

WHEREAS, by resolution adopted December 16, 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 February 17, 2017 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, the Planning Commission of the City of Troy (the “Planning Commission”), 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 the Planning Commission and determined the Project involves an "Unlisted Action" 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 the Planning Commission 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. The foregoing authorization and appointment by the Authority of the Company as agent to undertake the Project shall expire on June 30, 2018, unless extended by the Executive Director of the Authority upon written application by the Company.

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 **\$4,700,000.00**, which result in New York State and local sales and use tax exemption benefits (“sales and use tax exemption benefits”) not to exceed **\$376,000.00**. 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, Acting 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 February 17, 2017, 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 17th day of February, 2017.



(SEAL)

EXHIBIT A
PUBLIC HEARING MATERIALS

EXHIBIT B
SEQRA MATERIALS