

RESOLUTION

A regular meeting of County of Sullivan Industrial Development Agency ("Agency") was convened in public session at the Sullivan County Government Center, 100 North Street, Village of Monticello, Sullivan County, New York on December 9, 2014 at 2:00 p.m. local time.

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

	<u>PRESENT</u>	<u>ABSENT</u>
Ira Steingart	[√]	[]
Edward T. Sykes	[√]	[]
Suzanne Loughlin	[]	[√]
Charles Barbuti, Jr.	[√]	[]
Sandy Shaddock	[]	[√]
Sean Rieber	[√]	[]
Howard Siegel	[√]	[]
Carol Roig	[]	[√]

The following persons were also present:

Steve White, Chief Executive Officer
Jennifer C.S. Brylinski, Agency Executive Director
Walter F. Garigliano, Agency General Counsel

The following resolution was duly offered by Edward T. Sykes, and seconded by Charlie Barbuti, Jr., to wit:

Resolution No. 35 - 14

RESOLUTION (I) AUTHORIZING THE CONSTRUCTION AND EQUIPPING OF AN APPROXIMATELY 11,760 SQUARE FOOT TWO STORY ADDITION TO THE CENTER ONE HOLDINGS LLC ("COMPANY") PROJECT ("2014 PROJECT"); (II) MAKING CERTAIN FINDINGS AND DETERMINATIONS WITH RESPECT TO THE 2014 PROJECT; (III) APPOINTING THE COMPANY AS AGENT OF THE AGENCY FOR THE PURPOSE OF CONSTRUCTING AND EQUIPPING THE 2014 PROJECT; (IV) AUTHORIZING THE CHAIRMAN OR CHIEF EXECUTIVE OFFICER OF THE AGENCY, EACH ACTING INDIVIDUALLY, TO EXECUTE AND DELIVER AN AGENT AGREEMENT, RESTATED LEASE AGREEMENT, RESTATED PAYMENT IN LIEU OF TAX AGREEMENT AND ANY OTHER RELATED AGREEMENTS WITH RESPECT TO THE CONSTRUCTION AND EQUIPPING OF THE 2014 PROJECT

WHEREAS, the Agency was created by Chapter 560 of the Laws of 1970 of the State of New York, as amended, pursuant to Title I of Article 18-A of the General Municipal Law of the State of New York (collectively, the "Act") as a body corporate and politic and as a public benefit corporation of the State of New York ("State"); and

WHEREAS, on or about October 1, 2007, the Agency and Centre One Development, LLC ("COD") entered into a Sale/Leaseback transaction relating to the (i)(a) acquisition, construction, reconstruction, renovation, rehabilitation, installation and equipping of an existing building consisting of approximately 25,000 square feet ("Existing Building") and (b) acquisition, construction, installation and equipping of an addition to the Existing building ("2007 Building" together with the Existing Building, the "Building") situate on one (1) parcel of real estate consisting of 4.30 acres to be located at 13 Green Avenue in the Village of Woodridge, Town of Fallsburg, County of Sullivan ("County") and State of New York and identified on the Town of Fallsburg tax map as Section 103, Block 1, Lot 18.1 ("Land") and related facilities to be owned by the Agency; (ii) acquisition and installation thereon and therein of certain furniture, fixtures, machinery, equipment and tools ("Equipment"); (iii) construction of improvements to the Building, the Land and the Equipment (collectively, the Building, the Land and the Equipment are referred to as the "2007 Project"); and (iv) lease the 2007 Project from the Agency to the Company; and

WHEREAS, on or about October 1, 2007, the Agency and COD entered in various agreements with the Agency to obtain financial assistance, including without limitation, an Agent Agreement, a Lease Agreement and a Payment in Lieu of Tax Agreement (collectively, the "2007 Transaction Documents"); and

WHEREAS, on or about June 15, 2011, COD constructed a 2,160 square foot freestanding modular office building on the Land ("2011 Project"); and

WHEREAS, on or about June 15, 2011, the Agency and COD entered into an Omnibus Amendment to Project Documents to amend the project description and to amend the PILOT Agreement to include the value of the 2011 Project ("2011 Omnibus Amendment" and together with the 2007 Transaction Documents, the "Transaction Documents"); and

WHEREAS, on or about December 19, 2013, the Agency (i) consented to an assignment by COD to the Company of all of its interest under the Transaction Documents, including COD's rights to acquire the Project from the Agency; and (ii) and the Company entered into a Second Omnibus Amendment to Project Documents to memorialize the assignment ("2013 Omnibus Amendment"); and

WHEREAS, the Company has filed an application, dated December 1, 2014 requesting the Agency to (i) consent to the construction and equipping of the 2014 Project on the Land; (ii) appoint the Company as Agent of the Agency; (iii) to amend the Transaction Documents to include construction and equipping of the 2014 Project ("Restated Transaction Documents"); (iv) authorize its Chairman or Chief Executive Officer to sign the Restated Transaction Documents;

(v) provide a sales tax exemption for the purchases related to the 2014 Project; (vi) enter into a Mortgage and abate mortgage tax in an amount not to exceed TEN THOUSAND AND 00/100 (\$10,000.00) DOLLARS for the purpose of financing the 2014 Project; and (vii) provide a real property tax abatement on the Land through the Restated PILOT Agreement; and

WHEREAS, the total financial assistance being contemplated by the Agency is less than \$100,000; and

WHEREAS, to aid the Agency in determining whether the 2014 Project may have significant adverse effects on the environment, the Company presented a Short Environmental Assessment Form ("EAF") to the Agency with respect to the 2014 Project for its review; and

WHEREAS, the Agency wishes to (i) authorize the construction and equipping of the 2014 Project; (ii) enter into the Restated Transaction Documents; (iii) authorize its Chairman or Chief Executive Officer to execute the Restated Transaction Documents and related documents between the Agency and the Company; (iv) provide a sales tax exemption relating to construction and equipping of the 2014 Project; (v) provide a mortgage tax exemption for financing related to the 2014 Project; and (vi) provide a real property tax abatement on the Land through the Restated PILOT Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE AGENCY AS FOLLOWS:

Section 1. The Chairman or Chief Executive Officer of the Agency, each acting individually are each hereby authorized, on behalf of the Agency, to execute and deliver the Restated Transaction Documents together with any other documents necessary to authorize the construction and equipping of the 2014 Project.

Section 2. Subject to the Company executing an Agent Agreement in form and substance approved by the Chairman, the Agency hereby authorizes the Company to proceed with the construction and equipping of the Project and hereby appoints the Company as the true and lawful agent of the Agency to construct and equip the 2014 Project on behalf of the Agency; with the authority to delegate its status as agent of the Agency to the Company's agents, subagents, contractors, subcontractors, suppliers, vendors and other such parties as the Company may choose. The appointment described above includes the following activities as they relate to the construction and equipping of the 2014 Project, whether or not the materials, services or supplies described below are incorporated into or become an integral part of the 2014 Project; (i) all purchases, leases, rentals and other uses of tools, machinery and equipment in connection with the construction and equipping of the 2014 Project; (ii) all purchases, rentals, uses or consumption of supplies, materials and services of every kind and description in connection with the construction and equipping of the 2014 Project; and (iii) all purchases, leases, rentals and uses of equipment, machinery, and other tangible personal property (including installation costs with respect thereto), installed or placed in, upon or

under the 2014 Project, including all repairs and replacements of such property. This agency appointment includes the power to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agents for the Agency, and in general to do all things which may be requisite or proper for completing the 2014 Project, all with the same powers and with the same validity as the Agency could do if acting on its own behalf. The aforesaid appointment of the Company as agent of the Agency to construct and equip the 2014 Project shall expire on March 31, 2015 if the Restated Lease Agreement and Restated PILOT Agreement have not been executed and delivered.

Section 3. The Restated Lease Agreement, Restated PILOT Agreement and related documents which were negotiated by the Chairman, are hereby approved as to form and substance on condition that: (i) the payments under the Restated Lease Agreement include payments of all costs incurred by the Agency arising out of or related to the 2014 Project and indemnification of the Agency by the Company for actions taken by the Company and/or claims arising out of or related to the 2014 Project; and (ii) the terms of the Restated PILOT Agreements are consistent with the Agency's Uniform Tax Exemption Policy or the procedures for deviation have been compiled with.

Section 4. The Chairman or Chief Executive Officer of the Agency is hereby authorized, on behalf of the Agency, to execute and deliver the Agent Agreement, the Restated Lease Agreement, Restated PILOT Agreement and related documents in the form presented at this meeting all with such changes, variations, omissions and insertions as the Chairman or Chief Executive Officer of the Agency shall approve, the execution thereof by the Chairman or Chief Executive Officer of the Agency to constitute conclusive evidence of such approval.

Section 5. The Chairman, Vice Chairman or Chief Executive Officer of the Agency is hereby authorized, on behalf of the Agency, to execute and deliver any mortgage, assignment of leases and rent, security agreement, UCC-1 Financing Statements and all documents reasonably contemplated by these resolutions or prepared on advice of counsel to the Agency ("Financing Documents"); and, where appropriate, the Secretary or Assistant Secretary of the Agency is hereby authorized to affix the seal of the Agency to the Financing Documents and to attest the same, provided that in all events recourse against the Agency is limited to the Agency's interest in the Project.

Section 6. The officers, employees and agents of the Agency are hereby authorized and directed in the name and on behalf of the Agency to do all acts and things required and to execute and deliver all such certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of this resolution 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 7. It is hereby found and determined that all formal actions of the Agency concerning and relating to the adoption of this resolution were adopted in an open meeting of the Agency; and that all deliberations of the Agency and of any of its committees that resulted in such formal action were in meetings open to the public, in compliance with all legal requirements.

Section 8. The Chairman, Vice Chairman or Chief Executive Officer, Executive Director or Counsel to the Agency is hereby authorized and directed (i) to distribute copies of this resolution to the Company; and (ii) to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this resolution.

Section 9. These resolutions shall take effect immediately.

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

Ira Steingart	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Edward T. Sykes	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Suzanne Loughlin	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Charles Barbuti, Jr.	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Sandy Shaddock	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Sean Rieber	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Howard Siegel	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Carol Roig	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> Absent	<input type="checkbox"/> Abstain

The resolutions were thereupon duly adopted.

STATE OF NEW YORK :
:SS.:
COUNTY OF SULLIVAN :

I, the undersigned (Assistant) Secretary of the County of Sullivan Industrial Development Agency DO HEREBY CERTIFY THAT:

- I have compared the foregoing copy of a resolution of the County of Sullivan Industrial Development Agency ("Agency") with the original thereof on file in the office of the Agency, and that the same is a true and correct copy of such resolution and of the proceedings of the Agency in connection with such matter.
- Such resolution was passed at a meeting of the Agency duly convened in public session on the 9th day of December, 2014 at 2:00 p.m. at the Sullivan County Government Center, 100 North Street, Village of Monticello, Sullivan County, New York, at which the following members were present:

	<u>PRESENT</u>	<u>ABSENT</u>
Ira Steingart	[<input checked="" type="checkbox"/>]	[]
Edward T. Sykes	[<input checked="" type="checkbox"/>]	[]
Suzanne Loughlin	[]	[<input checked="" type="checkbox"/>]
Charles Barbuti, Jr.	[<input checked="" type="checkbox"/>]	[]
Sandy Shaddock	[]	[<input checked="" type="checkbox"/>]
Sean Rieber	[<input checked="" type="checkbox"/>]	[]
Howard Siegel	[<input checked="" type="checkbox"/>]	[]
Carol Roig	[]	[<input checked="" type="checkbox"/>]

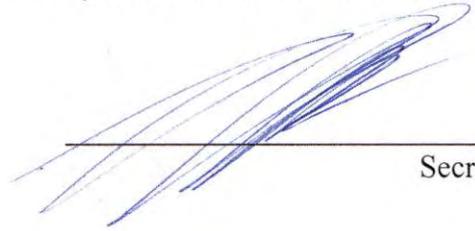
- The question of the adoption of the foregoing resolution was duly put to a vote on roll call which resulted as follows:

Ira Steingart	[<input checked="" type="checkbox"/>] Yes	[] No	[] Absent	[] Abstain
Edward T. Sykes	[<input checked="" type="checkbox"/>] Yes	[] No	[] Absent	[] Abstain
Suzanne Loughlin	[] Yes	[] No	[<input checked="" type="checkbox"/>] Absent	[] Abstain
Charles Barbuti, Jr.	[<input checked="" type="checkbox"/>] Yes	[] No	[] Absent	[] Abstain
Sandy Shaddock	[] Yes	[] No	[<input checked="" type="checkbox"/>] Absent	[] Abstain
Sean Rieber	[<input checked="" type="checkbox"/>] Yes	[] No	[] Absent	[] Abstain
Howard Siegel	[<input checked="" type="checkbox"/>] Yes	[] No	[] Absent	[] Abstain
Carol Roig	[] Yes	[] No	[<input checked="" type="checkbox"/>] Absent	[] Abstain

and therefore, the resolution was declared duly adopted.

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

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the 9th day of December, 2014.



Secretary