

RESOLUTION
(Central Building, LLC Expansion Project)

A regular meeting of Auburn Industrial Development Authority was convened at 2 State Street in the City of Auburn, on February 15, 2017 at 5:00 p.m.

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

RESOLUTION NO. 2017 | 2-3

RESOLUTION APPROVING THE GRANT OF FINANCIAL ASSISTANCE AND THE EXECUTION BY THE AUBURN INDUSTRIAL DEVELOPMENT AUTHORITY (THE "AUTHORITY") OF AN AGENT AGREEMENT, AMENDED SALE/LEASEBACK AGREEMENT, AMENDED PILOT AGREEMENT, AND RELATED DOCUMENTS WITH RESPECT TO THE CENTRAL BUILDING, LLC EXPANSION PROJECT

WHEREAS, the Auburn Industrial Development Authority (the "**Authority**") is authorized and empowered by the provisions of the Auburn Industrial Development Authority Act, Chapter 915 of the 1969 Laws of New York constituting Title 15 of Article 8 of the Public Authorities Law, Chapter 43-A of the Consolidated Laws of New York, as amended (the "**Act**"), to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial and research facilities, and facilities for use by a federal agency or medical facility, among others, and thereby to advance the job opportunities, health, general prosperity and economic welfare of the people of the City of Auburn and improve their medical care and standard of living; and

WHEREAS, the Authority has undertaken a certain project for the benefit of the Company (the "**Project**") consisting of (A)(i) the acquisition of an existing three story, 70,000 square foot building (the "**Building**") located on approximately 2.36 acres of land on Garden Street in the City of Auburn, New York (the "**Land**"); (ii) renovation of the Building and construction of additional parking facilities and (iii) the installment therein of equipment for use as medical offices and related health care facilities (the "**Equipment**") (the Land, the Building and the Equipment shall be referred to herein as the "**Facility**") and (B) the financing of a portion of the costs of the foregoing; and

WHEREAS, in connection with the Project, the Company and the Authority have entered into a Sale/Leaseback Agreement dated as of January 1, 2000 (the "**Sale/Leaseback Agreement**") whereby the Company conveyed title to the Facility (as defined in the Sale/Leaseback Agreement) to the Authority and the Company agreed to purchase the Facility from the Authority on the terms and conditions set forth therein; and

WHEREAS, the Company and the Authority also entered into a certain payment-in-lieu of tax agreement dated as of January 1, 2000 with the Company, as amended by that certain

Amendment No. 1 to PILOT Agreement dated as of June 1, 2009 (collectively, the "**PILOT Agreement**"); and

WHEREAS, the Company and the Authority will enter into a certain Amendment No. 2 to the PILOT Agreement, which will provide for payments in lieu of taxes by the Company in the amounts set forth on Exhibit "A", attached hereto.

WHEREAS, the Company has requested the Authority's assistance with a certain modification to the Project (the "**Expansion Project**") consisting of: (i) the renovation and buildout of an additional 10,000 feet of leasable area at the Building (the "**Tenant Improvements**"); and (ii) the installment therein of equipment for use as medical offices and health care facilities (the "**Equipment**" and, together with the Tenant Improvements, the "**Expansion Facility**"); and

WHEREAS, the Authority desires to encourage the Company to preserve and advance the job opportunities, health, general prosperity and economic welfare of the people of the City of Auburn, New York by undertaking the Expansion Project in the City of Auburn, New York; and

WHEREAS, pursuant to Section 2307 of the Act, the Authority has held a public hearing with respect to the Expansion Project; and

WHEREAS, the Authority will appoint the Company as its true and lawful agent to undertake and complete the Expansion Project pursuant to the terms of an Agent and Financial Assistance and Project Agreement to be dated as of February 1, 2017 (the "**Agent Agreement**") by and between the Authority and the Company; and

WHEREAS, the Company has requested the Authority to enter into an Amendment No. 2 to PILOT Agreement to be dated as of February 1, 2017 (the "**Amendment No. 1 to PILOT Agreement**") requiring the Company to make payments in lieu of taxes with respect to the Facility and the Expansion Facility; and

WHEREAS, the Company has requested the Authority to enter into an Amendment No. 1 to Sale/Leaseback Agreement to be dated as of February 1, 2017 (the "**Amendment No. 1 to Sale/Leaseback Agreement**"); and

WHEREAS, the Agent Agreement, the Amendment No. 2 to PILOT Agreement, the Amendment No. 1 to Sale/Leaseback Agreement, and related documents are presented to this meeting for approval and the execution thereof will help to improve the Expansion Project and enhance opportunities for the citizens of the City of Auburn.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE AUBURN 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, 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;

(B) The Authority has the authority to take the actions contemplated herein under the Act;

(C) The action to be taken by the Authority will further the purposes of the Authority under the Act by increasing employment opportunities in the City of Auburn, preventing economic deterioration and otherwise furthering the purposes of the Authority as set forth in the Act; and

(D) The Expansion 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 Expansion Facility 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 Expansion Facility 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 Expansion Project is reasonably necessary to discourage the Expansion Facility 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 Expansion Facility occupants in their respective industries.

Section 2. The Authority hereby approves financial assistance for the Expansion Project including (A) an exemption from all state and local sales and use taxes with respect to the qualifying personal property included in or incorporated into the Facility or used in the acquisition, construction, renovation and equipping of the Expansion Facility; and (B) an abatement or exemption from real property taxes levied against the Facility and Expansion pursuant to the PILOT Agreement, as amended, which shall deviate from the Authority's Uniform Tax Exemption Policy for the reason set forth on Exhibit "B" attached to this Resolution.

Section 3. The Authority hereby appoints the Company as its true and lawful agent to (A) acquire, construct and equip the Expansion Project; (B) to make, execute, acknowledge and deliver any contracts, orders, receipts, writings, instructions, as the agent for the Authority, with the authority to delegate such agency, in whole or in part, to agents, subagents, contractors, and subcontractors, and to such other parties as the Company reasonable designates; and (C) to do all other things that may be requisite and proper for completing the Expansion Project, with the same powers and validity vested in the Authority; provided, however, that the agency shall expire on January 23, 2019, unless extended by the Authority.

Section 4. The Authority may, pursuant to Section 2326-a of the Act, recover or recapture from the Company, its agents, subagents, contractors, subcontractors, or any other party authorized to make purchases for the benefit of the Expansion Project (each a "**Company Party**" and, collectively, the "**Company Parties**"), any sales and use tax exemption benefits obtained or purported to be obtained by the Company Parties if it is determined that: (A) any Company Party is not entitled to sales and use tax exemption benefits; (B) the sales and use tax exemption benefits

are in excess of the amounts authorized to be taken by any Company Party; (C) the sales and use tax exemption benefits are for property or services not authorized by the Authority as part of the Expansion Project; (D) the Company has made a material false statement in its application for financial assistance; (E) the sales and use tax exemption benefits are taken in cases where a Company Party 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 Expansion Project; and/or (F) if the Company obtains mortgage recording tax abatement benefits or real property tax abatements and fails to comply with a material term or condition to use property or services in a manner approved by the Authority in connection with the Expansion Project (each a "**Recapture Event**").

As a condition precedent to receiving the financial assistance set forth in Section 2, above, the Company must, upon the Authority's determination that a Recapture Event has occurred, (A) cooperate with the Authority in its efforts to recapture any sales and use tax benefits; and (B) pay over to the Authority, on demand, any amounts required to be recaptured.

Section 5. The Chairman, Vice Chairman and/or any other officer of the Authority and are hereby authorized, on behalf of the Authority, to execute and deliver the Agent Agreement, Amendment No. 1 to Sale/Leaseback, Amendment No. 2 to PILOT Agreement, and related assignments, documents and instruments (collectively, the "**Authority Documents**") in the form presented at this meeting with such changes as shall be approved by the Chairman and/or Vice Chairman upon execution.

Section 6. The Chairman, Vice Chairman and/or any other officer of the Authority and are hereby authorized, on behalf of the Authority, to execute and deliver the Authority Documents and any such other documents and agreements as may be necessary to carry out the intent of these resolutions; 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 and/or Vice Chairman of the Authority shall approve, the execution thereof by the Chairman and/or Vice Chairman 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 Expansion Project.

Section 7. The execution and delivery of the Authority Documents by the Authority as contemplated herein shall be subject to: (A) agreement by the Company and the Authority to the final form of the Authority Documents; (B) agreement between the Company and the Authority as to payment by the Company of the administrative fee of the Authority, if any; and (C) the Authority's adherence to the procedures for deviation from the Authority's uniform tax exemption policy set forth in Section 2315 of the Act prior to execution and delivery of the Amendment No. 2 to PILOT Agreement.

Section 8. 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 9. These Resolutions shall take effect immediately.

Upon motion duly made and seconded, the question of the adoption of the foregoing Resolution was duly put to a vote, which resulted as follows:

	<u>Yea</u>	<u>Nay</u>	<u>Absent</u>	<u>Abstain</u>
James A. Dacey, Chairman			X	
William Andre, Member	X			
Monika Salvage, Member			X	
Roger Beer, Member	X			
Terry Cuddy, Member	X			
Michael Quill, Member	X			
Tricia Kerr, Member		X		
Ronald LaVarnway, Member	X			

This Resolution was thereupon duly adopted.

EXHIBIT "A"

PILOT PAYMENTS

2020	\$52,000
2021	\$54,000
2022	\$56,000
2023	\$58,000
2024	\$60,000
2025	\$65,000
2026	\$72,000
2027	\$79,000
2028	\$86,000
2029	\$93,000

EXHIBIT "B"

REASONS FOR DEVIATION FROM UNIFORM TAX EXEMPTION POLICY

The Authority proposes to deviate from its Uniform Tax Exemption Policy by granting the Company an abatement from real property taxes based upon a fixed assessment.

The reasons for deviation are as follows:

- The Authority believes that the services offered by the Company are unique
- The Authority believes it is in the best interests of the residents of the City of Auburn to have access to a diverse selection of local medical providers
- The Authority believes that deviation from its Uniform Tax Exemption Policy is necessary to expand access to local medical providers

STATE OF NEW YORK)
COUNTY OF CAYUGA) SS:

I, the undersigned Secretary of the Auburn Industrial Development Authority, DO
HEREBY CERTIFY:

That I have compared the annexed extract of minutes of the meeting of the Auburn Industrial Development Authority (the "**Authority**"), including the resolution contained therein, held on February 15, 2017, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Authority and of such resolution set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

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

I FURTHER CERTIFY, that there was a quorum of the members of the 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 modified.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Authority this 28th day of February, 2017.

[SEAL]



Monika Salvage, Secretary
JOSEPH T. SHEPPARD, ACTING SECRETARY