

RESOLUTION

A regular meeting of the City of Syracuse Industrial Development Agency was convened in public session on October 16, 2018 at 8:30 a.m. in the Common Council Chambers, City Hall, 233 East Washington Street, Syracuse, New York.

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

PRESENT: Michael Frame, Kathleen Murphy, Rickey T. Brown and Kenneth Kinsey

EXCUSED: Steven Thompson

THE FOLLOWING PERSONS WERE ALSO PRESENT: Staff Present: Honora Spillane, Susan Katzoff, Esq., Meghan Ryan, Esq., Judith DeLaney, John Vavonese, Debra Ramsey-Burns; Others Present: Lauryn LaBorde, Aggie Lane, Timothy Lynn, Esq., Tom Iorizzo, Bob Wilmott, Max Eberts, Jennifer Granzow, Mary Spitzer, Patrick Parker

The following resolution was offered by Rickey T. Brown and seconded by Kenneth Kinsey:

RESOLUTION APPROVING THE AGENCY'S PARTICIPATION IN THE REFINANCING OF CURRENT LOANS AND DELIVERY OF A NEW MORTGAGE AND ASSOCIATED DOCUMENTS AT THE REQUEST OF THE COMPANY IN CONNECTION WITH THE PROJECT FACILITY AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS IN CONNECTION THEREWITH

WHEREAS, the City of Syracuse Industrial Development Agency (the "*Agency*") is authorized and empowered by Title 1 of Article 18-A of the General Municipal Law of the State of New York (the "*State*"), as amended (the "*Enabling Act*") together with Section 926 of the General Municipal Law, as amended (said Section and the Enabling Act, collectively referred to as, the "*Act*"), to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research, civic and recreation facilities, including industrial pollution control facilities, railroad facilities and certain horse racing facilities, for the purpose of promoting, attracting, encouraging and developing recreation and economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State, to improve their recreation opportunities, prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to grant financial assistance in connection with one or more "projects" (as defined in the Act); and

WHEREAS, by resolution adopted on January 26, 2016 (the "**Inducement Resolution**"), the Agency approved the undertaking of a project (the "**Project**") at the request of Bradford & Euclid, LLC (the "**Company**") consisting of: (A)(i) the acquisition of an interest in approximately 2.70 acres of real property improved by an existing approximately 208,082 square foot building (the "**Existing Building**") located at 225-303 Wilkinson Street & Leavenworth Avenue, in the City of Syracuse, New York (the "**Land**"); the reconstruction and renovation of the Existing Building for use as a mixed-use complex consisting of approximately 92 market-rate apartments, approximately 36,000 square feet of commercial space and on-site parking, all located on the Land (the "**Facility**"); (iii) the acquisition and installation in and at the Land and facility of furniture, fixtures and equipment (the "**Equipment**" and together with the Land and the Facility, the "Project Facility"); (B) the granting of certain financial assistance in the form of exemptions from real property taxes, State and local sales and use tax and mortgage recording tax (the "**Financial Assistance**"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, reconstruction, renovation and equipping of the Project Facility; and (D) the sublease of the Land and Facility by the Agency pursuant to a sublease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the (sub)sublease of the Project Facility back to the Company pursuant to a (sub)sublease agreement; and

WHEREAS, the Agency previously conducted an environmental review of the Project pursuant to Article 8 of the Environmental Conservation Law of the State of New York, as amended, and the regulations of the Department of Environmental Conservation of the State of New York promulgated thereunder (collectively referred to hereinafter as "**SEQRA**"), and determined that the Project constituted an "Unlisted Action" and therefore no further review was required; and

WHEREAS, in conjunction with the undertaking of the Project, the Company and the Agency entered into: (1) a Fee and Leasehold Multifamily Construction Loan Mortgage, Assignment of Rents, Security Agreement and Fixture Filing dated as of October 20, 2016 in the amount of \$18,353,308 (the "**Construction Loan Mortgage**"); (2) a Fee and Leasehold Multifamily Acquisition Loan Mortgage, Assignment of Rents, Security Agreement and Fixture Filing, dated as of October 20, 2016 in the amount of \$640,000 (the "**Acquisition Loan Mortgage**"); and (3) a Fee and Leasehold Multifamily Project Loan Mortgage, Assignment of Rents, Security Agreement and Fixture Filing, dated as of October 20, 2016 in the amount of \$249,650 (the "**Project Loan Mortgage**" and together with the Construction Loan Mortgage and the Acquisition Loan Mortgage, the "**Initial Mortgages**"), each in favor of Community Preservation Corporation ("**CPC**") to secure the Company's obligation under a corresponding notes in a like amounts (collectively, the "**Initial Loans**"); and the Agency provided the Company with an exemption from the mortgage recording tax otherwise due on the Initial Mortgages (subject to any applicable restriction pursuant to Section 874 of the General Municipal Law; and

WHEREAS, the Company has requested that the Agency participate in the permanent financing on the Project which will consolidate the Initial Loans through CPC (the "**Permanent Financing**") CPC by: (i) executing and delivering a first mortgage and related documents in favor of CPC in an amount not to exceed Eighteen Million Seven Hundred Eighty-Eight Thousand Dollars (\$18,788,000) to secure the permanent financing of the Project (collectively, the "**Mortgage**"); providing a mortgage recording tax exemption affidavit, if necessary, as the attendant fees, if any, owed on the Initial Mortgages were already paid (the "**Exemption**"); and (iii) executing and delivering all other documents reasonably necessary, upon advice of Agency's counsel, to effectuate the Permanent Financing (collectively with the Mortgage and Exemption, the "**Permanent Documents**"); and

WHEREAS, the providing of the Exemption does not constitute new Financial Assistance; and even if it was so considered, no public hearing is required as the Exemption does not exceed \$100,000; and

WHEREAS, the Agency Lease dated as of October 1, 2016, executed by the Company and the Agency in connection with the Project (the "**Agency Lease**"), anticipated the Agency's participation in such Permanent Financing.

NOW, THEREFORE, be it resolved by the members of the City of Syracuse Industrial Development Agency as follows:

(1) Based upon the representations made by the Company to the Agency, the Agency hereby makes the following findings and determinations:

(a) The Agency's participation in the Permanent Financing and the execution and delivery of the Permanent Documents will not result in a change to the Project as originally considered and therefore no further SEQRA review or action is required; and

(b) The Agency has the authority to, and hereby does, approve its participation in the Permanent Financing and the execution and delivery of the Permanent Documents and the granting of the Exemption. The Chairman, Vice Chairman and/or Executive Director of the Agency, acting individually, are each hereby authorized and directed, for and in the name and on behalf of the Agency, to execute and deliver the Permanent Documents, or required to carry out the intent of, this Resolution upon the advice of counsel, and to execute and deliver any such additional certificates, instruments, documents or affidavits, to pay any such other fees, charges and expenses, to make such other changes, omissions, insertions, revisions, or amendments to the documents referred to herein and to do and cause to be done any such other acts and things, as they determine, on advice of counsel to the Agency, may be necessary or desirable to consummate the transactions contemplated by this Resolution. The execution thereof by the Chairman, Vice Chairman or Executive Director constitutes conclusive evidence of such approval.

(2) As a condition precedent to the Agency's participation in the Permanent Financing, the providing of the Exemption and the execution and delivery of the Permanent Documents, as set forth herein, the Company will submit to the Agency the appropriate fee,

including the Agency's legal fees associated with the Exemption, the Permanent and the execution and delivery of the Permanent Documents and provide proof of insurance as required under the Agency Lease as well as any additional required certificates or documents, in exchange for the Agency's participation therein and the execution and delivery of the Permanent Documents.

(3) Should the Agency's participation in the Mortgage or the other Permanent Documents be challenged by any party, in the courts or otherwise, the Company shall defend, indemnify and hold harmless the Agency and its members, officers and employees from any and all losses arising from any such challenge including, but not limited to, the fees and disbursement of the Agency's counsel. Should any court of competent jurisdiction determine that the Agency is not authorized under the Act to participate in the Mortgage or the other Permanent Documents, this Resolution shall automatically become null, void and of no further force and effect, and the Agency shall have no liability to the Company hereunder or otherwise.

(4) No covenant, stipulation, obligation or agreement contained in this Resolution or any document referred to herein shall be deemed to be the covenant, stipulation, obligation or agreement of any member, officer, agent or employee of the Agency in his or her individual capacity. Neither the members nor officers of the Agency, nor any person executing any documents referred to above on behalf of the Agency, shall be liable thereon or be subject to any personal liability or accountability by reason of the execution or delivery thereof.

(5) The Secretary and/or the Executive Director of the Agency is hereby authorized to distribute copies of this Resolution to the Company and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

(6) This Resolution shall take effect immediately. A copy of this Resolution, together with the attachments hereto, shall be placed on file in the office of the Agency where the same shall be available for public inspection during business hours.

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

	<u>AYE</u>	<u>NAY</u>
Michael Frame	X	
Kathleen Murphy	X	
Rickey T. Brown	X	
Kenneth Kinsey	X	

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK)
) SS.:
COUNTY OF ONONDAGA)

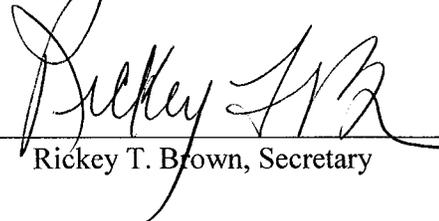
I, the undersigned Secretary of the City of Syracuse Industrial Development Agency, **DO HEREBY CERTIFY** that I have compared the annexed extract of the minutes of the meeting of the City of Syracuse Industrial Development Agency (the "**Agency**") held on October 16, 2018, with the original thereof on file in my office, and that the same (including all exhibits) is a true and correct copy of the proceedings of the Agency and of the whole of such original insofar as the same relates to the subject matters referred to therein.

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

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.

23 **IN WITNESS WHEREOF**, I have set my hand and affixed the seal of the Agency this day of October, 2018.

**CITY OF SYRACUSE INDUSTRIAL
DEVELOPMENT AGENCY**

By: 
Rickey T. Brown, Secretary

(SEAL)