

RESOLUTION

A regular meeting of the Syracuse Local Development Corporation was convened on November 5, 2018 at 9:00 a.m.

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

PRESENT: Michael Frame, Steven Thompson, Kathleen Murphy, Kenneth Kinsey

EXCUSED: Rickey T. Brown

THE FOLLOWING PERSONS WERE ALSO PRESENT: Honora Spillane, Judith DeLaney, John Vavonese and Susan Katzoff, Esq.

The following resolution was offered by Kathleen Murphy and seconded by Steven Thompson:

RESOLUTION OF THE SYRACUSE LOCAL DEVELOPMENT CORPORATION AUTHORIZING: (i) THE EXECUTION AND SUBMISSION OF AN APPLICATION TO THE STATE FOR A GRANT TO FUND CERTAIN RENOVATION COSTS; AND (ii) BRIDGE FINANCING

WHEREAS, pursuant to the purposes and powers contained within Section 1411 of the Not-for-Profit Corporation Law ("*N-PCL*") of the State of New York (the "*State*"), as amended (hereinafter collectively called the "*Act*"), and pursuant to its Certificate of Incorporation filed on March 15, 2010 (the "*Certificate*"), the Syracuse Local Development Corporation (the "*SLDC*") was established as a not-for-profit local development corporation of the State pursuant to Sections 402 and 1411 of the Not for Profit Corporation Law of the State and has the power to to acquire by purchase, lease, gift, bequest, devise or otherwise real or personal property or interests therein, to borrow money and to issue negotiable bonds, notes and other obligations therefor and has the authority to sell, lease, mortgage or otherwise dispose of or encumber any of its real or personal property or any interest therein upon such terms as it may determine exclusively in furtherance of the charitable or public purposes of relieving and reducing unemployment, promoting and providing for additional and maximum employment, bettering and maintaining job opportunities, instructing or training individuals to improve or develop their capabilities for such jobs, by encouraging the development of, or retention of, an industry in the community or area, lessening the burdens of government and acting in the public interest; and

WHEREAS, in March 1997, the Mutual Life Insurance Company of New York sold an underground parking garage (the "*South Parcel*") to the City of Syracuse (the "*City*") pursuant to

a sale agreement dated March 27, 1997. The garage acquired by the City sits beneath what is now the Tech Garden (the "**Tech Garden**" and together with the South Parcel, collectively, the "**City's Parcel**") and adjacent to and adjoining another underground garage parcel which sits below what is commonly known as the AXA Tower Complex (the "**North Parcel**" and together with the South Parcel, collectively, the "**Garage**"); and

WHEREAS, contemporaneous with the City's purchase of the South Parcel, the City entered into an agreement whereby Towers Realty LR, Ltd, the owner of the North Parcel (the "**Owner**") leased the North Parcel to the City and the City agreed to operate and maintain the North Parcel in good working repair (the "**Garage Lease Agreement**"); and

WHEREAS, notwithstanding the Garage Lease Agreement, the Owner remained liable for all repairs to infrastructure located in the North Parcel that supports the improvements above the garage; namely, the AXA Tower Complex; and

WHEREAS, the Garage Lease Agreement also provides, that notwithstanding the foregoing, the Owner agrees to maintain the plaza level on top of the North Parcel in a manner that is architecturally appropriate to minimize leakage from the plaza level into or onto the membrane covering the garage ceiling; and

WHEREAS, the City and the Owner agree that the North Parcel has not been satisfactorily maintained either due to a lack of ongoing repair, and/or water and other damage leaking from the plaza level above, or a combination of both; and

WHEREAS, the City and the Owner engaged engineers to undertake a joint assessment of the repairs necessary to repair the Garage and ensure its safety and arrived at a global scope of repairs, with estimated costs, which scope includes, generally, renovations to the Garage to include structural, mechanical, electrical, plumbing and fire protection repairs and upgrades as well as renovations to the plaza level including removal and replacement of the waterproofing membrane, removal and resetting of pavers and replacement of the expansion joints and repair and/or replacement of planters (collectively, the "**Scope of Repairs**"); and

WHEREAS, the City has limited resources to devote to the Scope of Repairs necessary to satisfactorily repair the Garage and ensure its safety in satisfaction of its obligations under the Garage Lease Agreement; and

WHEREAS, the parties have agreed that single ownership of the Garage will facilitate the repairs and the ongoing operation of the Garage for the benefit of the tenants of both the Tech Garden, the AXA Tower Complex and the general public, as available, and to further benefit a larger economic development strategy in that area of the City; and

WHEREAS, the City and the Owner are undertaking steps to transfer fee ownership of the City's Parcel and the North Parcel; respectively, to the SLDC such that the SLDC will have single ownership and control over the Garage; and

WHEREAS, it is within the SLDC's authority and powers to own property, to borrow money and to lessen the burdens of government; and

WHEREAS, the SLDC seeks approval to apply for a State economic development grant in an amount not to exceed ten million (\$10,000,000) dollars (the "**Grant Application**") and to accept such grant proceeds if approved; and

WHEREAS, the SLDC seeks approval to seek and accept bridge financing using the award of grant funds as collateral to borrow funds in an amount not to exceed ten million (\$10,000,000) dollars from a private lending institution for upfront costs associated with the Scope of Repairs reimbursable by the grant (the "**Loan Application**"); and

NOW, THEREFORE, be it resolved by the members of the Board of Directors of the Syracuse Local Development Corporation as follows:

Section 1. It is the policy of the State to promote the economic welfare, recreation opportunities and prosperity of its inhabitants and to actively promote, attract, encourage and develop recreation and economically sound commerce and industry for the purpose of preventing unemployment and economic deterioration.

Section 2. It is among the purposes of the SLDC to: (i) promote community and economic development and the creation of jobs in the non-profit and for-profit sectors for the citizens of the City by developing and providing programs for not-for-profit institutions, manufacturing and industrial businesses and other entities to access low interest tax-exempt and non-tax-exempt financing for their eligible projects; and (ii) undertake projects and activities within the City for the purpose of relieving and reducing unemployment, bettering and maintaining job opportunities, carrying on scientific research for the purpose of aiding the City by attracting new industry to the City or by encouraging the development of, or retention of, an industry in the City, and lessening the burdens of government and acting in the public interest.

Section 3. Based upon the foregoing, the SLDC makes the following findings and determinations:

(a) authorizes the execution and delivery of the Grant Application and the acceptance by the SLDC of any awarded grant funding; and

(b) authorizes the execution and delivery of any and all necessary documents to complete the Grant Application process and to accept any awarded grant funds including, but not limited to, a grant disbursement agreement (all of the foregoing collectively referred to as the "**Grant Documents**"); and

(c) authorizes the Loan Application and the execution and delivery of any and all necessary documents to complete the Loan Application process and to accept any awarded loan proceeds including, but not limited to, a note and mortgage (collectively, the "**Loan Documents**") conditioned upon receipt of an incentive proposal from the State relative to the Grant Application; and

(d) authorizes counsel for the SLDC to work on the negotiation and drafting of the Grant Application, the Loan Application, the Grant Documents, the Loan Documents and all other certificates and documents required in connection therewith, including the documents

identified herein and any other documents as may be required with respect to the Loan Application, the Grant Application, the Grant Documents and the Loan Documents and carry out the intent of this Resolution all subject to the review/approval by the (Vice) Chairman; and

(e) authorizes the execution and delivery of the Loan Application, the Grant Application, the Grant Documents and the Loan Documents by the (Vice) Chairman and/or the Executive Director.

Section 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 SLDC, nor any person executing any documents referred to above on behalf of the SLDC, shall be liable thereon or be subject to any personal liability or accountability by reason of the execution or delivery thereof.

Section 6. Notwithstanding any other provision of this Resolution, the SLDC covenants that it will comply with the terms of its by-laws, certificate of incorporation and Section 1400 of the Not for Profit Law of the State with respect to the Project.

Section 7. Bousquet Holstein PLLC, as counsel for the SLDC, is hereby authorized to work with counsel to the parties and others to prepare for submission to the SLDC, all documents necessary to effect the actions authorized hereunder and reimbursement of the cost of all such work prior to the date hereof is hereby authorized.

Section 8. The Secretary and Executive Director of the SLDC are hereby authorized and to distribute copies of this resolution.

Section 9. It is hereby found and determined that all formal actions of the SLDC concerning and relating to the adoption of this Resolution or other resolutions adopted in connection with the work to be completed in accordance herewith or the action to be taken in relation thereto, were adopted in an open meeting of the SLDC; and that all deliberations of the SLDC and of any of its committees that resulted in such formal actions were in meetings open to the public, in compliance with all legal requirements and are hereby ratified and confirmed.

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	
Steven Thompson	X	
Kathleen Murphy	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 Syracuse Local Development Corporation (the "SLDC"), **DO HEREBY CERTIFY** that I have compared the annexed extract of the minutes of the meeting of the SLDC held on November 5, 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 SLDC and of such resolution set forth herein and of the whole of such original insofar as the same relates to the subject matters referred to therein.

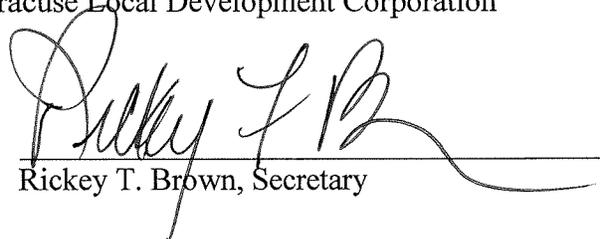
I FURTHER CERTIFY, that all members of the Board of Directors of the SLDC had due notice of said meeting, that the meeting was in all respects duly held and that, pursuant to Article 7 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public, and that public notice 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 Board of Directors of the SLDC 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 SLDC this 19th day of December, 2018.

Syracuse Local Development Corporation



Rickey T. Brown, Secretary

(SEAL)