

APPROVING RESOLUTION

A regular meeting of the City of Syracuse Industrial Development Agency was convened in public session on May 16, 2017 at 8:30 o'clock a.m., local time, 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: William Ryan, Steven Thompson, Kenneth Kinsey, Catherine Richardson, Esq.

EXCUSED: Donald Schoenwald

THE FOLLOWING PERSONS WERE ALSO PRESENT: Staff Present: Honora Spillane, Judith DeLaney, Susan Katzoff, Esq., Debra Ramsey-Burns; Others: Sarah Stevens, Paul Curtain, Brian Sinsabaugh, Lauryn LaBorde, Aggie Lane, Peter King, Larry Lutz, Alexander Marion; Media: Rick Moriarty

The following resolution was offered by Steven Thompson and seconded by Kenneth Kinsey:

RESOLUTION APPROVING AN EXTENSION OF THE SALES TAX APPOINTMENT OF EXPRESSWAY PROPERTIES, L.L.C. AND STATE TOWER BUILDING, LLC AS AGENTS OF THE AGENCY UNTIL DECEMBER 31, 2017; AND AUTHORIZING THE EXECUTION OF ANY AND ALL NECESSARY DOCUMENTS

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, together with Chapter 641 of the Laws of 1979 of the State of New York, as amended from time to time (collectively, the "**Act**"), to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, for the purpose of promoting 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

WHEREAS, at the request of State Tower Building, LLC and Expressway Properties, LLC (collectively the "**Company**"), by resolution dated March 9, 2016 (the "**Inducement Resolution**") the Agency agreed to undertake a project (the "**Project**") consisting of: (A)(i) the acquisition of an interest in approximately 1.2 acres of real property improved by an existing twenty-one (21) story, approximately 211,00 square foot building and garage (the "**Building**") located at 201-19 East Genesee Street & Warren Streets, in the City of Syracuse,

New York (the “**Land**”); the renovation of the Building for use as a mixed-use complex including Class A office space and retail on the first 8 floors; approximately 57 market-rate studio, one and two bedroom apartment units on the upper 13 floors; significant façade restoration; and a 100 car on-site parking garage, 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 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, renovation and equipping of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement; and

WHEREAS, among other things, pursuant to the Inducement Resolution, the Agency appointed the Company as an agent of the Agency for purposes of completing the Project and benefitting from the approved sales and use tax exemption; and

WHEREAS, in March, 2016 the Agency and the Company closed on the lease transaction in connection with the Project and the Agency issued Sales Tax Appointment Letters (“**Letters**”) to State Tower Building, LLC and Expressway Properties, LLC and filed the necessary Forms ST-60 – IDA Appointment of Project Operator or Agency for Sales Tax Purposes with the New York State Department of Taxation and Finance (the “**ST-60s**”). The Letters and the Company’s appointments originally were set to expire on May 1, 2017; and

WHEREAS, by letter dated April 19, 2017, the Company advised that due to certain construction delays they were requesting the Agency grant an extension (retroactive) of their sales tax appointment agent status through and including December 31, 2017 to provide them an opportunity to complete the Project Facility (the “**Extension**”); and

WHEREAS, the Company confirmed that it has not exceeded the amount of State and local sales and use tax awarded to the Project as part of the Financial Assistance and is not seeking any additional Financial Assistance; and

WHEREAS, the amount State and local sales and use tax exemptions approved by the Agency as part of the Financial Assistance was not to exceed \$803,886.00 (the “**Approved Exemption**”); and

WHEREAS, the Company has advised the Agency that to date the Company has realized approximately \$328,484.80 in State and local sales and use tax exemptions leaving a balance of unused exemption in the approximate amount of \$475,401.20 (the “**Remaining Exemption**”); and

WHEREAS, the Extension of the appointment of the Company as the agent of the Agency for the purpose of completing the Project and benefiting from State and local sales and use tax exemptions is in furtherance of the Financial Assistance that was previously approved for the Project, which underwent an environmental review by the Agency pursuant to the State Environmental Quality Review Act ("**SEQRA**"), and the requested Extension is insubstantial and does not require reconsideration or further review by the Agency under SEQRA; and

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 Extension does not amount to a significant change in the Project from what was originally approved by the Agency, and therefore further review under SEQRA and amendment of the Agency's prior SEQRA negative declaration shall not be required.

(b) The Agency authorizes, subject to the terms and conditions hereof, the Extension through and including December 31, 2017.

(2) As a condition to the granting of the Extension, the Company shall: (i) confirm and acknowledge that the lease transactional documents executed by the Company as of March 1, 2016, and any amendments or supplements thereto (collectively the "**Lease Documents**"), are in full force and effect and that there are no events of default under any of the Lease Documents; (ii) acknowledge, confirm and certify (where applicable) that no additional Financial Assistance is being provided by the Agency, the Company has not exceeded the Approved Exemption and the amount of State and local sales and use tax exemption benefit remaining available to the Company for the completion of the Project is the Remaining Exemption; (iii) submit to the Agency: (a) any administrative fee associated with this request; (b) any legal fees incurred by the Agency in connection with this request; (c) proof of insurance naming the Agency as an additional insured as required under the Lease Documents; and (d) the updated contract status report, or other applicable information, requested by the Agency with respect to the Project and/or the Extension.

(3) The Agency is authorized to execute all documents necessary to effectuate the Extension of the sales tax appointment agent status of State Tower and Expressway and/or Additional Agents (as that term is defined in the Inducement Resolution) including but not limited to issuance of a Sales Tax Appointment Extension Letter and completion of the appropriate "IDA Appointment of Project Operator or Agent for Sales Tax Purposes" (Form ST-60) for each of the entities; and the Chairman and Vice Chairman of the Agency are each hereby authorized, on behalf of the Agency, to execute and deliver the documents upon the advice of counsel to the Agency. The execution thereof by the Chairman or Vice Chairman constitutes conclusive evidence of such approval.

(4) The Company shall provide or cause its Additional Agents to provide, and the Agency shall maintain, records of the amount of State and local sales and use tax exemption benefits provided to the Project and the Company shall, and cause each Additional Agent, to make such records available to the Agency and the State Commissioner of Taxation and Finance (the “*Commissioner*”) upon request. The Agency shall, within thirty (30) days of providing any State sales and use tax exemption benefits, report to the Commissioner the amount of such benefits for the Project, identifying the Project, along with any such other information and specificity as the Commissioner may prescribe. As a condition precedent to the Company or Project’s receipt of, or benefit from, any State or local sales and use tax exemptions, the Company must acknowledge and agree to make, or cause its Additional Agents to make, all records and information regarding State and local sales and use tax exemption benefits realized by the Project available to the Agency or its designee upon request.

(5) 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.

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

(7) A copy of this Resolution, together with any 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>
William Ryan	X	
M. Catherine Richardson	X	
Steven Thompson	X	
Kenneth Kinsey	X	

The foregoing Resolution was thereupon declared duly adopted.

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

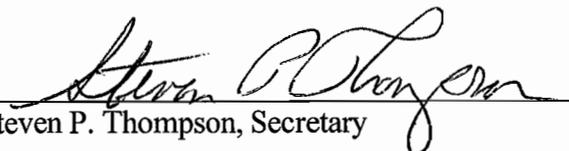
I, the undersigned Secretary of the City of Syracuse Industrial Development Agency, **DO HEREBY CERTIFY** that I have compared the annexed extract of the minutes of the meeting of the City of Syracuse Industrial Development Agency (the “*Agency*”) held on May 16, 2017, with the original thereof on file 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.

IN WITNESS WHEREOF, I have set my hand and affixed the seal of the Agency this 20 day of June, 2017.

City of Syracuse Industrial Development Agency


Steven P. Thompson, Secretary

(S E A L)