

Town of Colonie Industrial Development Agency

Board Minutes
October 16, 2017 Meeting

PUBLIC HEARING – One Mustang Drive II, LLC Project

Mr. Kearney opened the public hearing at 6:00 pm.

Mr. Reilly, attorney for the project, provided a brief summary of the assistance One Mustang Drive II, LLC (Company) was requesting from the Agency. In summary it is requesting the refunding of \$5,210,000 in currently outstanding tax exempt bonds originally issued in 2010. The refunding will repay the 2010 issuance, currently held by KeyBank, N.A., and issue a new \$5,210,000 bond, to be held by Wells Fargo. Mr. Giordano, Chief Financial Officer, indicated the refunding accomplishes three things, 1) it provides interest saving of about 1%, 2) it provides more favorable repayment terms, and 3) aligns the debt with current Company financial institutions relationships.

Mr. Reilly also indicated the Company is requesting a mortgage recording tax exemption, to the extent it is applicable to this debt. Additionally, the Company understands the Agency's fee is 0.50%, and many other industrial development agencies typically either waive or reduce the fees on refunding issuances. Mr. Reilly requested that the Agency waive or reduce its fee for the refunding bond issuance.

Mr. Giordano highlighted the growth the Company has seen, and expects to continue to see, since relocating to Colonie in 2010. Mr. LaCivita explained how this project is truly a success story for the Agency. The job creation numbers are well above what was originally estimated and are all \$60,000 to \$100,000 jobs. Additionally, the Company has acquired three of its suppliers to date and is still estimating future growth.

Mr. Gannon and Mr. Phillips commented on the Company's community involvement and significant donations to local schools.

Mr. Kearney asked for any additional comments from either the Board or the public, hearing none he closed the public hearing at 6:10 pm.

Meeting called to order by John Kearney, Chairman, at 6:10 pm.

Members in attendance:

John Kearney, Chairman
Carmen Basile
Eric Phillips
Benjamin Syden (exited at 7:00 pm)

Peter Gannon
Gary Rinaldi

Members absent:

David DeLuca

Other Persons in attendance:

Agency Counsel: M. Cornelia Cahill and Melissa Bennett, Barclay Damon, LLP

Executive Director: Joseph LaCivita

Chief Fiscal Officer: Christopher Kelsey

Guests: One Mustang Drive II, LLC:

Antonio Giordano, One Mustang Drive II, Chief Financial Officer

Stephen Reilly, Whiteman Osterman & Hanna, LLP

Afrim Realty Company, LLC:

Afrim Nejjaj, Afrim Realty Company, LLC, Member

Paul Sciocchetti, Esq., Sciocchetti & Abbott, PLLC

Starlite Associates, LLC and Galesi Group:

David Buicko, President and Chief Executive Officer

Thomas Owens, Vice President/General Counsel

Gerald, Hennigan, Vice President/Chief Financial Officer

Paul Fallati, Vice President Com. Real Estate and Dev. Divisions

AYCO Company, LP:

Kathryn Matthews, Sr. Vice President and Chief Operating Officer

Tara Ryan

Town of Colonie:

Councilman Christopher Carey

Councilwoman Jennifer Whalen

SAVE Colonie:

Wendy Allen

Approval of the Minutes

Mr. Kearney indicated the draft of the July 10, 2017 minutes were in the Board packets for review.

MOTION: To accept the July 10, 2017 minutes as provided. Motion offered by Benjamin Syden and seconded by Peter Gannon. Motion was unanimously approved by the members in attendance.

Committee Reports

Governance –Mr. Syden indicated the Committee had nothing to report this evening, but there will be a Committee meeting at 5:30 on December 18, 2017.

Audit – On behalf of the Committee, Mr. Kelsey indicated there will need to be a Committee meeting at 5:30 on December 18, 2017 to retain independent audit services.

Finance – Mr. Basile indicated the Committee met at 5:30 this evening to discuss the proposed budget for 2018 and to review the proposed refunding bond issuance for One Mustang Drive II, LLC.

He noted that the Committee unanimously passed a motion offered by Mr. Kearney and seconded by Mr. Rinaldi to recommend adoption of the proposed budget for 2018. Mr.

Basile asked Mr. Kelsey to provide an overview of the proposed 2018 budget for the full board.

Mr. Kelsey distributed the budget, and indicated there was no change from the preliminary budget distributed for review at the August 14, 2017 meeting. He provided a summary and indicated it was very similar to the 2017 budget with the exception of the demolition costs for the Maxwell Road property. Mr. Syden inquired as to why there was no budget for the Brownfield Opportunity Area project. Mr. Kelsey indicated because costs were unknown at this time and the fact it was budget neutral it had been left out, but that he will add \$100,000 to the appropriate revenue and expense lines for 2018.

MOTION: To adopt the proposed 2018 budget, as amended, for the Town of Colonie Industrial Development Agency as provided, and amended for the Brownfield Opportunity Area Project. Motion offered by Benjamin Syden and seconded by Eric Phillips. Motion was unanimously approved by the members in attendance. (See Attached)

Mr. Basile stated the Finance Committee also reviewed the proposal for the One Mustang Drive II, LLC refunding, and voted unanimously to pass a motion offered by Mr. Kearney and seconded by Mr. Rinaldi to recommend to the Agency that it approve the application and issue the refunding bonds. (See attached Finance Committee recommendation)

Mr. Basile emphasized again what a successful project this has been for the Agency with the job creation, and the good community partner the Company has become.

Mr. Gannon inquired with Ms. Cahill the Agency's history with fees charged on refunding issuances. Ms. Cahill indicated this would be a first for the Agency, but that she has seen agencies that charge half the normal fee and agencies that make no fee adjustments. Mr. Gannon expressed his concern with this being a precedent setting event, but that he felt a reduced fee would be appropriate for this issuance based on the success of the original project. If the Agency were to reduce the fee he wants it well documented as to why the adjustment was approved for the benefit of this and future Agency Boards.

Mr. Syden recommended a 0.25% fee and that the authorizing resolution contain the necessary whereas clause(s) to document the reasons for the deviation from the standard fee. The other board members expressed their agreement with this amendment.

RESOLUTION 2017-008 – Resolution authorizing the issuance and sale by the Town of Colonie Industrial Development Agency of its tax-exempt Revenue Refunding Bond (One Mustang Drive II, LLC), Series 2017 in the aggregate principal amount of not to exceed \$5,210,000 and the execution of related documents. Resolution offered by Peter Gannon and seconded by Benjamin Syden. Resolution unanimously approved by members in attendance. (See Attached)

Executive Director Report

Mr. LaCivita indicated he had two projects to discuss this evening. Both the Afrim's Realty and Starlite Redevelopment Project have representatives here this evening.

1) Afrim Realty Company, LLC

Mr. LaCivita indicated that Mr. Nejzaj and Mr. Sciocchetti from the Afrim Realty Project were here this evening. Ms. Cahill stated the Agency has already adopted the preliminary inducement and conducted the required public hearing. Before the Agency this evening is a resolution to provide final authorization for financial assistance. To summarize Afrim's is requesting 1) a sales and use tax exemption, 2) a mortgage recording tax exemption, and 3) a payment in lieu of taxes (PILOT) agreement. She also indicated as the PILOT does not comply with the Agency's Uniform Tax Exemption Policy the Agency also already completed the required deviation process.

Mr. LaCivita indicated he has worked with Mr. Sciocchetti to develop a PILOT schedule that meets what this Board discussed after the public hearing in August 2017. Mr. Sciocchetti distributed the new PILOT schedule. It calls for fixed \$25,000 payments for years one through twelve and then escalating payments up to full taxation in year twenty-one. Additionally it removes the requested payment credit for the agricultural exemption payback. Ms. Cahill confirmed the fixed dollar PILOT will be added as Exhibit C to the resolution passed this evening.

Mr. Phillips and Mr. Syden both commented that it was a more equitable PILOT to all parties involved. Mr. Kelsey also commented that the fixed dollar, rather than fixed percentage, PILOT is better for the municipalities as well because it provides a predictable revenue stream for the New York State Tax Levy Cap calculations.

RESOLUTON 2017-009 – Resolution authorizing the execution of an underlying lease, lease agreement, project agreement and payment in lieu of tax agreement in connection with a certain project for Afrim Realty Company, LLC and determining other matters in connection therewith. Resolution offered by Benjamin Syden and seconded by Carmen Basile. Resolution unanimously approved by the members in attendance. (See Attached)

Mr. LaCivita complimented Mr. Nejzaj as being an excellent steward of his project. He has been in Mr. LaCivita's office regularly looking to see what the next step in the process are and what he needed to do to keep things moving. Mr. Kearney inquired when he expected to break ground and Mr. Nejzaj indicated he was hoping for January 2018.

Mr. Nejzaj and Mr. Sciocchetti thanked the Agency for their assistance and the Board thanked them for their patience throughout the approval process.

2) Starlite Associates, LLC and AYCO Company, LP

Mr. LaCivita welcomed and asked the project representatives to introduce themselves. Mr. Buicko of the Galesi Group and Ms. Matthews of AYCO introduced their respective colleagues.

Mr. Buicko began by indicating the project they were discussing this evening was the redevelopment of the former Starlite Theatre on Route 9 which has been abandoned since about 1998. The Galesi Group purchased the property about 6 to 7 years ago, and has been cleaning up the site of the refuse that generally collects on abandoned properties.

To the North the property abuts residential property and to the South commercial property. It is going to be a multiphase project, but this evening the only thing being discussed is a 55 acre portion of the property. It is proposed zoned commercial and will house a 150,000 square foot building, which is about one third the size that could be built on the property. As part of the project the developer will construct the connector road, as described in the Town of Colonie's Boght Area GEIS. This will help the flow of traffic in the area.

They bid and won the AYCO Project, which was a two year process with significant competition. AYCO was looking regionally and narrowed a list of 28 proposals down to three and then selected this location. Mr. Buicko stated this was a testament to the Town's ability to attract and retain quality businesses and turned the floor over to Ms. Matthews.

Ms. Matthews gave a brief history of AYCO, which originally began in 1971 with offices within the Town on Wolf Road. It has grown to have 9 regional offices around the country and currently leases space in the Town and Saratoga Springs. They are currently undergoing a long term consolidation of associates within the capital region and are committed to being and staying within the region. The Company's goal is to house its talent within the same building for better productivity and collaboration among its employees. Approximately 70% of its current Capital Region employees work out of Latham and 30% work out of Saratoga Springs. The application estimates that AYCO will bring 160 new jobs to the Town within two years, which is a combination of new growth and transfers from the Saratoga Springs Office.

Mr. LaCivita indicated that the retention of 600 plus existing financial services jobs in the Town is a key aspect of both these applications. Ms. Matthews also noted that the 160 new jobs are all full time positions, not part-time or seasonal jobs.

Mr. Basile noted the Agency needs to ensure it is delivering on its projects so this Project needs to make sure it is able to deliver on what it is estimating. Ms. Matthews stated that these numbers are on the conservative side because there is no way AYCO wants to be in the position of repaying any of the benefits if it cannot meet its commitment to the Agency.

Mr. Syden apologized for need to leave and excused himself for a previous family commitment at 7:00 pm.

Mr. Gannon questioned Mr. Buicko on the recent newspaper articles that referenced 3,000 residences being built on this property. Mr. Buicko noted that the newspaper actually published a retraction because the initial press release from the Regional Economic Council was flawed. In fact there is no possible way for those kind of numbers to be constructed on this property. Mr. Buicko reiterated the fact that even the commercial building in question this evening is only 150,000 square feet even though they could build a 450,000 square foot building on the property.

Mr. LaCivita indicated Starlite Associates will retain ownership of the land and construct the building so it is requesting 1) a sales and use tax exemption, 2) a mortgage recording tax exemption, and 3) a payment in lieu of taxes agreement. AYCO will do the tenant fit-up and purchase furniture, fixtures and equipment so it is requesting a sales and use tax exemption.

Ms. Cahill summarized the resolutions before the Agency this evening stating the Starlite Associates resolution authorizes Mr. LaCivita to hold a public hearing on the project and starts the PILOT deviation process, as this PILOT does not fully comply with the Agency's Uniform Tax Exemption Policy. Additionally, it allows for a temporary sales tax exemption of up to \$100,000 for the Project to start aspects of the redevelopment while the Agency approval process is underway.

RESOLUTION 2017-010 – Resolution authorizing the Executive Director to hold a public hearing regarding a certain project for Starlite Associates, LLC. Resolution offered by Carman Basile and seconded by Gary Rinaldi. Resolution unanimously approved by the members in attendance. (See Attached)

Ms. Cahill summarized the resolution before the Agency this evening stating the AYCO resolution authorizes Mr. LaCivita to hold a public hearing on the project. Additionally, it also grants a conflict waiver to Barclay Damon LLP as Ms. Cahill represents the Agency and one of her partners represents AYCO in connection with this project.

Resolution 2017-011 – Resolution authorizing the Executive Director to hold a public hearing regarding a certain project for the AYCO Company, LP. Resolution offered by Peter Gannon and seconded by Eric Phillips. Resolution unanimously approved by the members in attendance. (See Attached)

Mr. LaCivita advised the Agency that the Starlite Associates portion of the project was on the agenda for the Town of Colonie Planning Board for tomorrow, October 17, 2017, for sketch plan review. This is a very early stage of the planning process.

Old Business

None

New Business

Mr. Gannon expressed his concern with the misinformation in the press regarding the Galesi and AYCO project, and indicated the Agency needed to increase its transparency. He indicated the Board is doing very good work and that needs to be emphasized on the website. Mr. Basile agreed with Mr. Gannon and indicated he would like to see us go above and beyond the ABO required minimums. He does not mind that Agency being criticized by the ABO for going beyond what is required or recommended by the ABO.

Town Councilwoman Whalen asked to address the Board. She requested that the Agency consider posting a more detailed agenda on its website to provide more transparency for the public. Additionally, Councilman Carey asked if it would be possible to advise the Town of Colonie's webmaster as to the Agency's meeting dates and times so they could be added to the Town's website. The Agency Board thanked them for the suggestions.

Meeting adjourned at 7:15 pm.

Next meeting will be December 18, 2017 at 6:00 pm, with Governance and Audit Committee meetings at 5:30 pm, at 347 Old Niskayuna Road, Latham, NY 12110.

TOWN OF COLONIE INDUSTRIAL DEVELOPMENT AGENCY
ADOPTED BUDGET
2018

ACCOUNT NUMBER	ACCOUNT TITLE	ACTUAL 2016	BUDGET 2017	MODIFIED BUDGET 2017	ADOPTED BUDGET 2018
BUDGETARY SOURCES					
OPERATING INCOME					
4000-100	ADMINISTRATIVE FEES	\$ 77,862.00	\$ 92,000	\$ 92,000	\$ 95,700
4000-200	APPLICATION INCOME	-	200	200	200
4000-300	OTHER INCOME	-	200,000	-	100,000
	TOTAL OPERATING REVENUE	<u>77,862.00</u>	<u>292,200</u>	<u>92,200</u>	<u>195,900</u>
OTHER INCOME					
4200-100	INTEREST INCOME	856.11	500	800	500
4200-101	INTEREST INCOME - RESTRICTED	2,671.58	2,000	2,000	2,000
	TOTAL OTHER INCOME	<u>3,527.69</u>	<u>2,500</u>	<u>2,800</u>	<u>2,500</u>
OTHER BUDGETARY SOURCES					
	APPROPRIATED NET POSITION	<u>17,227.20</u>	-	<u>27,200</u>	-
TOTAL BUDGETARY SOURCES		<u>\$ 98,616.89</u>	<u>294,700</u>	<u>122,200</u>	<u>198,400</u>
BUDGETARY USES					
OPERATING EXPENSES					
5000-500	MANAGEMENT FEES	\$ 1,218.61	\$ 2,000	\$ 1,200	\$ 1,700
5000-501	PROFESSIONAL FEES	10,800.00	11,500	10,800	11,000
5000-502	LEGAL FEES	15,633.50	10,000	16,000	15,000
5000-503	ADMINISTRATIVE FEES	50,000.00	50,000	50,000	50,000
5000-600	OFFICE SUPPLES	1,235.61	300	300	300
5000-601	LEGAL ADS	22.32	300	100	300
5000-602	WEBSITE MAINTENANCE	2,199.88	3,000	2,300	2,500
5000-650	ASSOCIATION DUES	7,600.00	7,600	7,600	7,600
5000-670	PROJECT COSTS	-	-	-	-
5000-670A	PROJECT COSTS - BOA	-	200,000	-	100,000
5000-680	DUES & SUBSCRIPTION	945.00	1,000	1,000	1,000
5000-690	TRAVEL & CONFERENCES	3,050.00	4,000	3,000	4,000
5000-700	DEPRECIATION	833.00	-	-	-
5000-790	BUILDING MAINT./DEMOLITION	243.50	-	25,000	-
5000-810	INSURANCE	4,835.47	5,000	4,900	5,000
	TOTAL OPERATING EXPENSES	<u>98,616.89</u>	<u>294,700</u>	<u>122,200</u>	<u>198,400</u>
OTHER BUDGETARY USES					
	UNRESTRICTED NET POSITION	-	-	-	-
TOTAL BUDGETARY USES		<u>\$ 98,616.89</u>	<u>\$ 294,700</u>	<u>\$ 122,200</u>	<u>\$ 198,400</u>

THE SPECIFIC PURPOSES THAT COMPRISE THE CLASSIFICATION OF NET POSITION, ON THE ACCRUAL BASIS, AS OF DECEMBER 31, 2016, ARE AS FOLLOWS:

NET POSITION	
NET INVESTMENT IN CAPITAL ASSETS	\$ 6,560
RESTRICTED FOR REVOLVING LOAN FUND	187,510
UNRESTRICTED	1,153,027
TOTAL NET POSITION	<u>\$ 1,347,097</u>

**RECOMMENDATION DATED OCTOBER 16, 2017 OF THE FINANCE COMMITTEE
OF THE TOWN OF COLONIE INDUSTRIAL DEVELOPMENT AGENCY
REGARDING THE ISSUANCE OF BONDS BY THE AGENCY**

WHEREAS, pursuant to Section 2824 of the Public Authorities Law of the State of New York, the Members of the Finance Committee of the Town of Colonie Industrial Development Agency (the “Agency”) are required to review proposals for the issuance of debt by the Agency and make recommendations; and

WHEREAS, the Members of the Finance Committee of the Agency have reviewed the proposal for the Agency to undertake a project (the “Project”) on behalf of One Mustang Drive II, LLC (the “Company”) consisting of the following: (A) the refunding of the Agency’s \$5,880,000 Multi-Modal Tax-Exempt Revenue Bonds, Series 2010A (One Mustang Drive II, LLC Project) (the “Series 2010A Bonds”); (B) the issuance of tax-exempt revenue bonds of the Agency (the “Series 2017 Bond”) in an aggregate principal amount sufficient to finance (1) the refunding of the Series 2010A Bonds, in an amount estimated to be approximately \$5,210,000; and (C) the granting of the mortgage recording tax exemption (except as limited by Section 874 of the Act) with respect to the recording of any mortgage with the County Clerk of the County of Albany (the “Financial Assistance”); and

WHEREAS, the Series 2010A Bonds financed a portion of the costs of: (1) the acquisition of two adjacent parcels of land totaling approximately 11 acres located at 1 Mustang Drive in the Town of Colonie, Albany County, New York (the “Land”) and the existing 115,000 square foot facility located thereon (the “Existing Facility”), (2) the rehabilitation and renovation of the Existing Facility (the “Facility”) for use as a manufacturing facility and office space, and (3) the acquisition and installation therein and thereon of various machinery and equipment (the “Equipment”, and together with the Land and the Facility, the “Project Facility”); and

WHEREAS, the Series 2017 Bonds are to be issued pursuant to a bond purchase agreement dated as of October 1, 2017 (the “Bond Purchase Agreement”) by and among the Agency, the Company and Wells Fargo Bank, National Association, as purchaser of the Series 2017 Bonds (the “Purchaser”); and

WHEREAS, to provide a source of payment for the Series 2017 Bonds, the Agency and the Company will enter into an installment sale agreement dated as of October 1, 2017 (the “Sale Agreement”), which Sale Agreement, among other things, (A) obligates the Company to undertake and complete the Project, (B) obligates the Company to make basic loan payments (the “Basic Payments”) equal to the principal and interest coming due on the Series 2017 Bonds, and (C) obligates the Company to make all payments and perform all other obligations of the Agency pursuant to the Series 2017 Bonds and the documents relating thereto; and

WHEREAS, as security for the Series 2017 Bonds, the Agency will execute and deliver to the Purchaser a pledge and assignment dated as of October 1, 2017 (the “Pledge and Assignment”) from the Agency to the Purchaser, which Pledge and Assignment will assign to the Purchaser certain of the Agency’s rights under the Sale Agreement; and

WHEREAS, as further security for the Series 2017 Bonds, the Agency and the Company will execute: (A) [a mortgage, assignment of rents and security agreement (the “Mortgage”) from

the Agency and the Company to the Purchaser], granting to the Purchaser a first mortgage lien on and security interest in the Project Facility; and (B) an assignment of leases and rents (the "Assignment of Rents") from the Agency and the Company to the Purchaser granting to the Purchaser a security interest in all of the right, title and interest of the Company as the landlord under and pursuant to certain leases, together with all rents, incomes and profits due and becoming due therefrom; and

WHEREAS, pursuant to the Pledge and Assignment, Basic Payments made by the Company under the Sale Agreement are to be paid directly to the Purchaser; and

WHEREAS, the (A) Company's obligation (1) to make all Basic Payments under the Sale Agreement and (2) to perform all obligations related thereto and (B) the Agency's obligation to repay the Series 2017 Bonds will be further secured by a guaranty dated as of October 1, 2017 (the "Guaranty") from the Company to the Purchaser;

NOW THEREFOR BE IT RESOLVED BY THE MEMBERS OF THE FINANCE COMMITTEE OF THE AGENCY AS FOLLOWS:

The Members of the Finance Committee hereby (A) determine that it is in the best interest of economic development in the Town for the Agency to issue the Series 2017 Bond; and (B) recommend that the Agency undertake the Project and proceed with the issuance of the Series 2017 Bond upon the terms and conditions described in the Bond Purchase Agreement, the Sale Agreement and the other documents to be executed and delivered in connection with the issuance of the Series 2017 Bond.

This Resolution shall take effect immediately upon its adoption.

RESOLUTION 2017-008 - A RESOLUTION AUTHORIZING THE ISSUANCE AND SALE BY THE TOWN OF COLONIE INDUSTRIAL DEVELOPMENT AGENCY OF ITS TAX-EXEMPT REVENUE REFUNDING BOND (ONE MUSTANG DRIVE II, LLC), SERIES 2017 IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$5,210,000 AND THE EXECUTION OF RELATED DOCUMENTS.

WHEREAS, Town of Colonie Industrial Development Agency (the “Agency”) is authorized and empowered by the provisions of Chapter 1030 of Laws of 1969 of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the “Enabling Act”) and Chapter 232 of the Laws of 1977 of New York, as amended, constituting Section 911-d of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the “Act”) to promote, develop, encourage and assist in the acquiring, constructing, renovating, improving, maintaining, equipping and furnishing of commercial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their 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 acquire, construct, reconstruct and install “projects” (as defined in the Act) or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, One Mustang Drive II, LLC (the “Company”) presented an application (the “Application”) to the Agency requesting that the Agency consider undertaking a project (the “Project”) consisting of the following: (A) the refunding of the Agency’s \$5,880,000 Multi-Modal Tax-Exempt Revenue Bonds, Series 2010A (One Mustang Drive II, LLC Project) (the “Series 2010A Bonds”); (B) the issuance of tax-exempt and/or taxable revenue bonds of the Agency (the “Series 2017 Bonds”) in one or more issues or series in an aggregate principal amount sufficient to finance the refunding of the Series 2010A Bonds, in an amount estimated to be approximately \$5,500,000; and (C) the granting of the mortgage recording tax exemption (except as limited by Section 874 of the Act) with respect to the recording of any mortgage with the County Clerk of the County of Albany (the “Financial Assistance”); and

WHEREAS, the Series 2010A Bonds financed a portion of the costs of: (1) the acquisition of two adjacent parcels of land totaling approximately 11 acres located at 1 Mustang Drive in the Town of Colonie, Albany County, New York (the “Land”) and the existing 115,000 square foot facility located thereon (the “Existing Facility”), (2) the rehabilitation and renovation of the Existing Facility (the “Facility”) for use as a manufacturing facility and office space, and (3) the acquisition and installation therein and thereon of various machinery and equipment (the “Equipment”, and together with the Land and the Facility, the “Project Facility”); and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”) and the regulations (the “Regulations”) adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, “SEQRA”), by resolution adopted by the members of the Agency on August 14, 2017, the Agency made the determination, based on its classification of the Project as a Type II Action under SEQRA, that the Project will not have a

“significant effect on the environment” (within the meaning of such term as used in SEQRA); and

WHEREAS, pursuant to the authorization contained in a preliminary inducement resolution adopted by the Agency on August 14, 2017, the Agency (A) caused notice of public hearing of the Agency (the “Public Hearing”) pursuant to Section 859-a of the Act to hear all persons interested in the Project and the Financial Assistance being contemplated by the Agency with respect to the Project, to be mailed on October 3, 2017 to the chief executive officers of the county, the town and the school district in which the Project Facility is located, (B) caused notice of the Public Hearing to be published on October 1, 2017 in the Times Union, a newspaper of general circulation available to the residents of the Town of Colonie, Albany County, New York, and (C) conducted the Public Hearing on October 16, 2017 at 6:00 p.m. at the Town of Colonie Public Operations Center, 347 Old Niskayuna Road, Latham, New York; and

WHEREAS, as required by Section 2824(8) of the Public Authorities Law, the Agency’s Finance Committee, on the date hereof, reviewed the proposal for the issuance of debt by the Agency related to the Project, recommended that the Agency undertake the Project and proceed with the issuance thereof, and determined that it is in the best interest of economic development in the Town for the Agency to issue the Bond (as hereinafter defined); and

WHEREAS, pursuant to this resolution, the Agency will issue its Tax-Exempt Revenue Refunding Bond (One Mustang Drive II, LLC Project), Series 2017 (the “Bond”); and

WHEREAS, the Bond will be purchased by Wells Fargo Bank, National Association (the “Bank”) pursuant to a Bond Purchase Agreement dated as of October 1, 2017 (the “Bond Purchase Agreement”) by and among the Agency, the Company and the Bank; and

WHEREAS, simultaneously with the issuance of the Bond, the Company will execute and deliver: (1) a certain underlying lease dated as of October 1, 2017 (the “Underlying Lease”) by and between the Company and the Agency pursuant to which the Company will lease the Project Facility to the Agency, (2) a bill of sale dated as of October 1, 2017 (the “Bill of Sale to Agency”) from the Company to the Agency, pursuant to which the Company will sell to the Agency its interest in the portion of the Project Facility constituting fixtures and other personal property, (3) a certain installment sale agreement by and between the Agency and the Company dated as of October 1, 2017 (the “Sale Agreement”) whereby the Agency will sell its interest in the Project Facility to the Company, and (4) certain other documents related to the Project and the Bond; and

WHEREAS, as security for the full payment and performance of the obligations of the Company under the Bond, the Company will execute and deliver a guaranty dated as of October 1, 2017 (the “Guaranty”) in favor of the Agency and the Bank; and

WHEREAS, as security for the Bond, the Agency will execute and deliver to the Bank a pledge and assignment dated as of October 1, 2017 (the “Pledge and Assignment”) from the Agency to the Bank, which Pledge and Assignment will assign to the Bank certain of the Agency’s rights under the Sale Agreement; and

WHEREAS, as further security for the Bond, the Agency and the Company will execute a Fee and Leasehold Mortgage, Assignment of Rents and Leases and Fixture Filing (the "Mortgage") from the Agency and the Company to the Bank, granting to the Bank a first mortgage lien on and security interest in the Project Facility; and

WHEREAS, to demonstrate compliance with the provisions of the Internal Revenue Code of 1986, as amended (the "Code") relating to the issuance of tax-exempt obligations, (A) the Agency and the Company will execute a tax compliance agreement dated the date of delivery of the Bond (the "Tax Compliance Agreement") relating to certain requirements set forth in Sections 144 and 148 of the Code; and (B) the Agency will (1) execute a completed Internal Revenue Service ("IRS") Form 8038 (Information Return for Private Activity Bonds) relating to the Bond (an "Information Return") pursuant to Section 149(e) of the Code, and (B) file the Information Return with the IRS; and

WHEREAS, the Company and Precision Valve & Automation, Inc. will execute and deliver a certain environmental compliance and indemnification agreement dated as of October 1, 2017 (the "Environmental Compliance and Indemnification Agreement") in favor of the Agency; and

WHEREAS, the Agency has determined that a payment in lieu of tax agreement in connection with the Project will not be executed and the Agency will NOT file a New York State Board of Real Property Services Form RP-412-a (the form required to be filed by the Agency in order for the Agency to obtain a real property tax exemption with respect to the Project Facility under Section 412-a of the Real Property Tax Law) with the assessor for the Town of Colonie; and

WHEREAS, the Agency will execute and deliver all necessary termination documents related to the Series 2010A Bonds; and

WHEREAS, in the application submitted by the Company to the Agency in connection with the issuance of the Series 2010A Bonds, the Company indicated that it would retain 72 full-time-equivalent jobs and create 36 full-time-equivalent jobs at the Project Facility; and

WHEREAS, in the application submitted by the Company to the Agency in connection with the issuance of the Series 2017 Bond, the Company indicated that it currently has 200 full-time equivalent jobs at the Project Facility; and

WHEREAS, the Company also has informed the Agency that it has donated various robotics to the North Colonie Central School District and other school districts with a value of hundreds of thousands of dollars;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE TOWN OF COLONIE INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. The Agency, based upon the representations made by the Company to the Agency in the Application and at this meeting, hereby finds and determines that:

(A) By virtue of the Act, the Agency 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 undertaking of the Project is for a proper purpose, to wit, to preserve and/or create permanent private sector jobs and to advance the job opportunities, health, general prosperity and economic welfare of the inhabitants of the Town of Colonie and the State of New York;

(C) The Project is the re-financing of the outstanding Series 2010A Bonds and, accordingly, the Project will not result in the removal of a plant or facility of the Company or any other proposed occupant of the Project Facility from one area of the State to another area of the State or in the abandonment of a plant or facility of the Company or of any proposed occupant of the Project Facility located in the State; and

(D) The Project Facility does not constitute a project where the facilities or property comprising the Project Facility will be primarily used in making retail sales of goods or services to customers who personally visit such facilities and constitute more than one-third (1/3) of the total Project cost.

Section 2. In consequence of the foregoing, the Agency hereby determines to: (A) issue the Bond in a maximum principal amount not to exceed \$5,210,000 on the terms and conditions set forth herein and in the Bond Purchase Agreement, (B) sell the Bond to the Bank at a price of 100% of the principal amount thereof, (C) use the proceeds of the Bond to refund the outstanding principal amount of the Series 2010A Bond, (D) secure the Bond with the Pledge and Assignment, (E) join with the Company in executing and delivering the Mortgage, and (F) grant to the Company a mortgage recording tax exemption (except as limited by Section 874 of the Act) with respect to the recording of any mortgage with the County Clerk of the County of Albany.

Section 3. The Agency is hereby authorized to acquire a leasehold interest in the Project Facility pursuant to the Underlying Lease and the Bill of Sale to Agency, to sell its interest in the Project Facility to the Company pursuant to the Sale Agreement and to do all things necessary or appropriate for the accomplishment of the Project, and all acts heretofore taken by the Agency with respect to the Project are hereby ratified, confirmed and approved.

Section 4. The form and substance of the Bond, the Bond Purchase Agreement, the Underlying Lease, the Sale Agreement, the Pledge and Assignment and the Mortgage (collectively, the "Agency Documents") (in substantially the forms presented to this meeting, subject to change as described in Section 5, and which, prior to the execution and delivery thereof, may be redated) are hereby approved.

Section 5. (A) The Chairman (or Vice Chairman) of the Agency is hereby authorized, on behalf of the Agency, to execute and deliver the Agency Documents, and, where appropriate, the Secretary (or Assistant Secretary) of the Agency is hereby authorized to affix the seal of the Agency thereto and to attest the same. The Agency Documents shall be in substantially the forms thereof presented to this meeting with such changes, variation, omissions and insertions as

the Chairman (or Vice Chairman) shall approve, the execution thereof by the Chairman (or Vice Chairman) to constitute conclusive evidence of such approval.

(B) The Chairman of the Agency is hereby further authorized, on behalf of the Agency, to designate any additional Authorized Representatives of the Agency (as defined in and pursuant to the Sale Agreement).

Section 6. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Agency Documents, and to execute and deliver all such additional 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 resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Agency Documents binding upon the Agency.

Section 7. In light of the number of employees employed by the Company at the Project Facility and the Company's significant donations to the North Colonie Central School District and other school districts in the State of New York, the Agency hereby determines to reduce its administrative fee for the Project from 0.5% to 0.25%.

Section 8. This resolution shall take effect immediately upon adoption.

RESOLUTION 2017-009 - RESOLUTION AUTHORIZING THE EXECUTION OF AN UNDERLYING LEASE, LEASE AGREEMENT, PROJECT AGREEMENT AND PAYMENT IN LIEU OF TAX AGREEMENT IN CONNECTION WITH A CERTAIN PROJECT FOR AFRIM REALTY COMPANY, LLC (“COMPANY”) AND DETERMINING OTHER MATTERS IN CONNECTION THEREWITH.

WHEREAS, Town of Colonie Industrial Development Agency (the “Agency”) is authorized and empowered by the provisions of Chapter 1030 of Laws of 1969 of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the “Enabling Act”) and Chapter 232 of the Laws of 1977 of New York, as amended, constituting Section 911-d of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the “Act”) to promote, develop, encourage and assist in the acquiring, constructing, renovating, improving, maintaining, equipping and furnishing of commercial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their 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 acquire, construct, reconstruct and install “projects” (as defined in the Act) or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, Afrim Realty Company, LLC, on behalf of itself and entities formed or to be formed on behalf of the foregoing, including Afrim’s Sports, Inc. (the “Company”) presented an application (the “Application”) to the Agency, requesting that the Agency consider undertaking a project (the “Project”) consisting of the following: (A)(1) the acquisition of an interest in approximately 28.6 acres of land located at 969 Watervliet Shaker Road (Tax Map # 30.-2-2.21) in the Town of Colonie, Albany County, New York (the “Land”), (2) the construction of an approximately 86,400 square foot air supported dome, an approximately 12,000 square foot building and an approximately 900 square foot building (collectively, the “Facility”), and (3) the acquisition and installation therein and thereon of various machinery and equipment (the “Equipment”) (the Land, the Facility and the Equipment being collectively referred to as the “Project Facility”), such Project Facility to constitute a recreation project providing facilities for sporting events, including, but not limited to, soccer and lacrosse games and tournaments; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from mortgage recording taxes (except as limited by Section 874 of the Act), real estate transfer taxes, sales and uses taxes and real property taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, the members of the Agency adopted a resolution on July 10, 2017 (the “Public Hearing Resolution”) authorizing a public hearing in compliance with the provisions of Section 859-a of the Act and the deviation process in compliance with the provisions of Section 874(4)(b) of the Act and the Agency’s Uniform Tax Exemption Policy (the “UTEP”); and

WHEREAS, in compliance with the provisions of Section 859-a of the Act, the public hearing resolution adopted on July 10, 2017 (the “Public Hearing Resolution”) indicated that the undertakings of the Agency contained therein are contingent upon the Agency making a determination to proceed with the Project following compliance by the Agency with the public notice and public hearing requirements set forth in Section 859-a of the Act; and

WHEREAS, pursuant to the authorization contained in the Public Hearing Resolution, the Agency (A) caused notice of public hearing of the Agency (the “Public Hearing”) pursuant to Section 859-a of the Act, to hear all persons interested in the Project and the Financial Assistance being contemplated by the Agency with respect to the Project, to be mailed to the chief executive officers of the county, the town and the school district in which the Project Facility is, or is to be located (each an “Affected Tax Jurisdiction” and collectively, the “Affected Tax Jurisdictions”), (B) caused notice of the Public Hearing to be published on August 4, 2017 in the Times Union, a newspaper of general circulation available to the residents of the Town of Colonie, Albany County, New York, and (C) conducted the Public Hearing on August 14, 2017 at 6:00 p.m. at the Town of Colonie Public Operations Center, 347 Old Niskayuna Road, Latham, New York; and

WHEREAS, the Company has requested that the terms of the payment in lieu of tax agreement to be entered into in connection with the Project contain terms that deviate from the UTEP; and

WHEREAS, pursuant to the authorization contained in the Public Hearing Resolution and in compliance with the provisions of Section 874(4)(b) of the Act and the UTEP, the Agency caused a letter dated August 3, 2017 (the “PILOT Deviation Letter”) to be mailed to the chief executive officers of each Affected Tax Jurisdiction, informing said individuals that the Agency would, at its meeting to be held on August 14, 2017, consider a proposed deviation from the UTEP with respect to the payment in lieu of tax agreement to be entered into by the Agency with respect to the Project Facility based upon the schedule of payments in lieu of taxes set forth in Exhibit A (the “Initial Proposal”) or Exhibit B (the “Alternate Proposal”) attached hereto or some combination or variation thereof; and

WHEREAS, prior to the date hereof, the Agency responded to all communications and correspondence received from the Affected Tax Jurisdictions regarding the proposed deviation from the UTEP; and

WHEREAS, the Agency allowed representatives from the Affected Tax Jurisdictions present at this meeting to address the Agency regarding such proposed deviation; and

WHEREAS, in order to consummate the Project and the granting of the Financial Assistance described in the notice of the Public Hearing, the Agency proposes to enter into the following documents: (A) an underlying lease agreement (and a memorandum thereof) (the “Underlying Lease”) dated as of October 1, 2017 by and among the Company and the Agency, pursuant to which, among other things, the Agency will acquire a leasehold interest in the Land and the improvements now or hereafter located on the Land from the Company; (B) a lease agreement (and a memorandum thereof) (the “Lease Agreement”) dated as of October 1, 2017 by and between the Agency and the Company, pursuant to which, among other things, the Company will agree to undertake and complete the Project as agent of the Agency and the Company will further agree to lease the Project Facility from the Agency and, as rental thereunder, to pay the

Agency's administrative fee relating to the Project and to pay all expenses incurred by the Agency with respect to the Project; (C) a project agreement (the "Project Agreement") dated as of October 1, 2017 that complies with the requirements of Section 859-a(6) of the Act; (D) a payment in lieu of tax agreement dated as of October 1, 2017 by and between the Agency and the Company, pursuant to which the Company will agree to make payments in lieu of taxes in accordance with the terms set forth in Exhibit C; and (E) various certificates relating to the Project; and

WHEREAS, simultaneously with the execution and delivery of the Lease Agreement, the Company will execute and deliver to the Agency one or more bills of sale to agency (the "Bill of Sale") from the Company to the Agency pursuant to which the Company will sell to the Agency the Equipment; and

WHEREAS, in order to secure the performance by the Company of its obligations under the PILOT Agreement, the Company will execute a mortgage and assignment of leases and rents (the "PILOT Mortgage") in favor of the Agency granting to the Agency a mortgage lien on the Company's leasehold interest in the Project Facility; and

WHEREAS, the Agency will file with the assessor and mail to the chief executive officers of each "affected tax jurisdiction" (within the meaning of such quoted term in Section 854(16) of the Act) a copy of a New York State Board of Real Property Services Form RP-412-a (the form required to be filed by the Agency in order for the Agency to obtain a real property tax exemption with respect to the Project Facility under Section 412-a of the Real Property Tax Law) (a "Real Property Tax Exemption Form") relating to the Project; and

WHEREAS, simultaneously with the execution and delivery of the Lease Agreement, the Agency will file with the State Department of Taxation and Finance the form entitled "IDA Appointment of Project Operator or Agent for Sales Tax Purposes" (the form required to be file pursuant to Section 874(9) of the Act) (the "Thirty-Day Sales Tax Report") and provide a copy of the Thirty-Day Sales Tax Report to the Company; and

WHEREAS, for purposes of exemption from New York State (the "State") sales and use taxation as part of the Financial Assistance requested, "sales and use taxation" shall mean sales and compensating use taxes and fees imposed by article twenty-eight or twenty-eight-A of the State tax law but excluding such taxes imposed in a city by section eleven hundred seven or eleven hundred eight of such article twenty-eight; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the "SEQR Act") and the regulations (the "Regulations") adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, "SEQRA"), the Project had been subject to an environmental review pursuant to the requirements of the State Environmental Quality Review Act and the regulations thereunder, resulting in the issuance of a Negative Declaration by the Agency by resolution dated July 10, 2017;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE TOWN OF COLONIE INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. The Agency, based upon the representations made by the Company to the Agency in the Application and at this meeting, hereby finds and determines that:

(A) By virtue of the Act, the Agency 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 undertaking of the Project pursuant to the Lease Agreement is for a proper purpose, to wit, to preserve and/or create permanent private sector jobs and to advance the job opportunities, health, general prosperity and economic welfare of the inhabitants of the Town of Colonie and the State of New York;

(C) The completion of the Project Facility will not result in the removal of a plant or facility of the Company or any other proposed occupant of the Project Facility from one area of the State to another area of the State or in the abandonment of a plant or facility of the Company or of any proposed occupant of the Project Facility located in the State;

(D) This Project does not constitute a project where the facilities or property comprising the Project will be primarily used in making retail sales of goods or services to customers who personally visit such facilities and constitute more than one-third (1/3) of the total Project cost; and

(E) The Agency, based upon its review of the following factors, finds and determines that it is desirable and in the public interest of the Agency to deviate from its UTEP and to approve the execution and delivery of the PILOT Agreement:

1. The nature of the proposed Project (e.g., manufacturing, commercial, warehouse):

The proposed Project would be recreational in nature. The Company will develop the Land and construct an approximately 86,400 square foot air supported dome, an approximately 12,000 square foot building and an approximately 900 square foot building to be used as facilities for sporting events, including, but not limited to, soccer and lacrosse games and tournaments. The Project Facility will fill a demand within the Town for additional recreational sports facilities, providing field availability to the South Colonie Central School District (the "School District") as well as the community as a whole.

2. The nature of the property before the Project begins (e.g., vacant land, vacant buildings):

The Land was until recently owned by a private individual and has been vacant for over 20 years; it is currently subject to an agricultural district tax exemption.

3. The economic condition of the area at the time of the Application:

The Land is predominantly vacant land that is not currently being used. There is little economic development in the area, although there are plans for a large apartment complex to be built adjacent to the Land.

4. The extent to which a project will create or retain permanent, private sector jobs:

The Project will retain fifteen (15) full time equivalent positions and will create an additional fifteen (15) full time equivalent positions.

5. The estimated value of tax exemptions to be provided:

Based upon the Initial Proposal and the payment schedule set forth in Exhibit A, the estimated value of the tax exemption over the term of the PILOT Agreement is estimated to be approximately \$1,600,000. Based upon the Alternate Proposal and the payment schedule set forth in Exhibit B, the estimated value of the tax exemption over the term of the PILOT Agreement is estimated to be approximately \$1,094,814 over the term of the PILOT Agreement. However, were the Agency to authorize a lesser period or a different PILOT payment amount, the estimated value of the real property tax exemptions would correspondingly change.

The above estimates are based on an estimated taxable assessed value and current tax rates.

6. The extent to which the proposed Project will provide additional sources of revenue for municipalities and school districts in which the Project is located:

The Project will retain fifteen (15) full time equivalent positions and will create an additional fifteen (15) full time equivalent positions for the community. In addition, tournament attendance at the Project Facility will result in a significant increase in lodging, dining and transportation demands throughout the Town.

7. The impact of the Project and the proposed tax exemptions on affected tax jurisdictions:

The Project will generate increased revenue to the affected tax jurisdictions in the form of increased property tax revenues and sales and use tax revenues. Because the Land is currently subject to an agricultural district tax exemption, the School District received only \$214.31 in school taxes in 2015-16 and the Town received only \$353.09 in 2016. Even with the proposed tax exemptions, the Project will still result in significantly larger property tax revenues for the

affected tax jurisdictions than those currently being received on this Land.

Moreover, the Project does not create housing and will have no impact on the utilization of the School District.

8. The impact of the proposed project on existing and proposed business and economic development projects within the vicinity:

There is demand within the Town for recreational sports facilities. The Project Facility would be the only multi-use, turf field athletic facility of its kind in the greater Capital Region and will not compete with existing businesses within the Town. The Project will support local vendors and will retain fifteen (15) full time equivalent positions and will create an additional fifteen (15) full time equivalent positions. It is expected that thousands of people will attend games and tournaments at the Project Facility and that they will patronize local hotels, restaurants and stores.

9. The amount of private sector investment generated or likely to be generated by the proposed Project:

The cost of the Project build out is in excess of \$9 million with a significant equity investment being made by the Company.

10. The likelihood of accomplishing the proposed Project in a timely fashion:

The Project has received all required zoning approvals and conditional final site plan approval has been obtained. Closing of the financing is expected to be in November 2017. Construction is expected to commence shortly after closing of the financing.

11. The effect of the proposed project on the environment:

The Town Planning Board has issued a negative declaration for the Project pursuant to the New York State Environmental Quality Review Act.

12. The extent to which the proposed Project will require the provision of additional services including, but not limited to, additional educational, transportation, police, emergency medical or fire services:

The Project will require no provision for educational services. The Company expects that many of the users of the Project Facility will use their own cars but there may be some increased demand in public transportation to the Project Facility. Buildings will be fully sprinkled. Minimal demand for police, fire and emergency medical services (EMT) services is anticipated.

13. The extent to which the proposed Project will follow local input from local planning agencies:

The Town was heavily involved in and influenced the Project planning, with extensive review by the Town Planning Board and all other Town departments such as Building and Town Public Works, Engineering, and the Town Board.

14. The extent to which the proposed Project will provide needed benefit (economic or otherwise) not otherwise available within the Town:

The Project provides athletic facilities for year-round use. The Project Facility will be the only multi-use, turf field athletic facility of its kind in the greater Capital Region and will not compete with existing businesses within the Town. It will provide availability to the School District as well as the community as a whole.

The Project will provide economic benefit to the Town from increased property tax revenues and sales and use tax revenues.

15. The extent to which the Company or occupant will enter into apprenticeship agreements within the meaning of Section 816 of the Labor Law of the State of New York with respect to the construction, reconstruction or operation of the Project:

The Agency will encourage the Company to enter into apprenticeship agreements.

Section 2. In consequence of the foregoing, the Agency hereby determines to: (A) proceed with the Project; (B) acquire a leasehold interest in the Land and all improvements now or hereafter located on the Land from the Company; (C) acquire title to the Equipment pursuant to one or more bills of sale (the "Bill of Sale to Agency") from the Company to the Agency; (D) lease the Project Facility to the Company pursuant to the Lease Agreement; (E) acquire, construct and install the Project Facility, or cause the Project Facility to be acquired, constructed and installed, as provided in the Lease Agreement; and (F) grant to the Company the Financial Assistance with respect to the Project.

Section 3. The Agency is hereby authorized to acquire a leasehold interest in the Project Facility pursuant to the Underlying Lease and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisition, construction and installation are hereby ratified, confirmed and approved.

Section 4. The Agency is hereby authorized to acquire, construct and install the Project Facility as described in the Lease Agreement and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisition, construction and installation are hereby ratified, confirmed and approved.

Section 6. The form and substance of the Agency Documents (in substantially the forms presented to this meeting and which, prior to the execution and delivery thereof, may be redated) are hereby approved.

Section 7. (A) The Chairman (or Vice Chairman) of the Agency is hereby authorized, on behalf of the Agency, to execute and deliver the Agency Documents, and, where appropriate, the Secretary (or Assistant Secretary) of the Agency is hereby authorized to affix the seal of the Agency thereto and to attest the same. The Agency Documents shall be in substantially the forms thereof presented to this meeting with such changes, variation, omissions and insertions as the Chairman (or Vice Chairman) shall approve, the execution thereof by the Chairman (or Vice Chairman) to constitute conclusive evidence of such approval.

(B) The Chairman of the Agency is hereby further authorized, on behalf of the Agency, to designate any additional Authorized Representatives of the Agency.

Section 8. The Agency shall maintain records of the amount of State and local sales and use tax exemption benefits provided to the Project and each agent or Project operator and shall make such records available to 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'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 agents and/or operators to make, all records and information regarding State and local sales and use tax exemption benefits available to the Agency upon request. The provisions of Section 875 of the Act are hereby incorporated herein as if set forth herein and the Agency agrees that it shall comply with the requirements of such Section 875.

Section 9. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Agency Documents, and to execute and deliver all such additional 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 resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Agency Documents binding upon the Agency.

Section 10. This resolution shall take effect immediately upon adoption.

**EXHIBIT A
PILOT PAYMENT SCHEDULE
INITIAL PROPOSAL**

YEAR	PILOT PAYMENT	SPECIAL PAYMENT
1	\$10	\$125,000 to \$180,000 ¹
2	\$10	-
3	\$10	-
4	\$10	-
5	\$10	-
6	\$30,000.00	-
7	\$30,000.00	-
8	\$30,000.00	-
9	\$30,000.00	-
10	\$30,000.00	-
11	\$40,000.00	-
12	\$40,000.00	-
13	\$40,000.00	-
14	\$40,000.00	-
15	\$40,000.00	-
16	\$50,000.00	-
17	\$50,000.00	-
18	\$50,000.00	-
19	\$50,000.00	-
20	\$50,000.00	-

¹ The prior owner of the property received an agricultural value assessment and, as a result, an exemption from real property taxes. Pursuant to Agricultural and Markets Law Section 305(1)(d), when such property is converted to other than agricultural use, the Company will be required to make a payment equal to five times the taxes saved in the last year in which the land benefitted from an agricultural assessment, plus interest per year compounded annually for each year in which the agricultural assessment was granted, but not exceeding five years. The payment will be added by or on behalf of each taxing jurisdiction to the taxes levied on the assessment roll prepared on the basis of the first taxable status date on which the land is converted to non-agricultural use.

**EXHIBIT B
PILOT PAYMENT SCHEDULE**

ALTERNATE PROPOSAL

YEAR	PILOT PAYMENT	SPECIAL PAYMENT
1	\$25,000.00	\$125,000 to \$180,000 ²
2	\$25,000.00	-
3	\$25,000.00	-
4	\$25,000.00	-
5	\$25,000.00	-
6	\$25,000.00	-
7	\$25,000.00	-
8	\$25,000.00	-
9	\$25,000.00	-
10	\$25,000.00	-
11	\$25,000.00	-
12	\$25,000.00	-

² The prior owner of the property received an agricultural value assessment and, as a result, an exemption from real property taxes. Pursuant to Agricultural and Markets Law Section 305(1)(d), when such property is converted to other than agricultural use, the Company will be required to make a payment equal to five times the taxes saved in the last year in which the land benefitted from an agricultural assessment, plus interest per year compounded annually for each year in which the agricultural assessment was granted, but not exceeding five years. The payment will be added by or on behalf of each taxing jurisdiction to the taxes levied on the assessment roll prepared on the basis of the first taxable status date on which the land is converted to non-agricultural use.

EXHIBIT C
PILOT PAYMENT SCHEDULE

YEAR	PILOT PAYMENT	SPECIAL PAYMENT TO BE PAID IN ADDITION TO PILOT PAYMENT
1	\$25,000.00	\$125,000 to \$180,000 ³
2	\$25,000.00	-
3	\$25,000.00	-
4	\$25,000.00	-
5	\$25,000.00	-
6	\$25,000.00	-
7	\$25,000.00	-
8	\$25,000.00	-
9	\$25,000.00	-
10	\$25,000.00	-
11	\$25,000.00	-
12	\$25,000.00	-
13	\$40,000.00	-
14	\$50,000.00	-
15	\$60,000.00	-
16	\$70,000.00	-
17	\$80,000.00	-
18	\$90,000.00	-
19	\$100,000.00	-
20	\$110,000.00	-

³ The prior owner of the property received an agricultural value assessment and, as a result, an exemption from real property taxes. Pursuant to Agricultural and Markets Law Section 305(1)(d), when such property is converted to other than agricultural use, the Company will be required to make a payment equal to five times the taxes saved in the last year in which the land benefitted from an agricultural assessment, plus interest per year compounded annually for each year in which the agricultural assessment was granted, but not exceeding five years. The payment will be added by or on behalf of each taxing jurisdiction to the taxes levied on the assessment roll prepared on the basis of the first taxable status date on which the land is converted to non-agricultural use. Such payment will be in addition to the payments listed above under "PILOT Payments".

**RESOLUTION 2017-010 - RESOLUTION OF THE TOWN OF COLONIE
INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING THE EXECUTIVE
DIRECTOR TO HOLD A PUBLIC HEARING REGARDING A CERTAIN PROJECT
FOR STARLITE ASSOCIATES, LLC (THE "COMPANY").**

WHEREAS, the Town of Colonie Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of Laws of 1969 of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 594 of the Laws of 1980 of New York, as amended, constituting Section 911-d of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, renovating, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research, and recreation facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their 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 acquire, construct, reconstruct and install "projects" (as defined in the Act) or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, Starlite Associates, LLC, on behalf of itself and entities formed on behalf of the foregoing (the "Company") has presented an application (the "Application") to the Agency, a copy of which was presented at this meeting and copies of which are on file at the office of the Agency, requesting that the Agency consider undertaking a project (the "Project") consisting of the following: (A)(1) the acquisition of an interest in approximately 20 acres of land located at 629 Columbia Street Extension in the Town of Colonie, Albany County, New York (the "Land"), (2) the construction of an approximately 149,005 square foot building (the "Facility"), and (3) the acquisition and installation therein and thereon of various machinery and equipment (the "Equipment") (the Land, the Facility and the Equipment being collectively referred to as the "Project Facility"), such Project Facility to be leased to The Ayco Company, L.P. ("Ayco"), for use by Ayco as a new office complex and corporate headquarters; (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from mortgage recording taxes (except as limited by Section 874 of the Act), real estate transfer taxes, sales and uses taxes and real property taxes (collectively, the "Financial Assistance"); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, the Company has requested that the Agency enter into a payment in lieu of tax agreement (the "Proposed PILOT Agreement"), the terms of which deviate from the standard terms of a payment in lieu of tax agreement under the Agency's Uniform Tax Exemption Policy (the "UTEP"); and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B

of the Consolidated Laws of New York, as amended (the “SEQR Act”), and the regulations (the “Regulations”) adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, “SEQRA”), the Agency has not yet made a preliminary determination as to the potential environmental significance of the Project and therefore has not yet determined whether an environmental impact statement is required to be prepared with respect to the Project; and

WHEREAS, the Agency desires to comply with the public hearing and notice requirements contained in Section 859-a of the Act and the procedure and notice requirements for a deviation from the UTEP with respect to the Proposed PILOT Agreement contained in Section 874 of the Act and the UTEP;

WHEREAS, prior to the authorization, execution and delivery of final documents and agreements in connection with the Project, the Company has requested that the Agency enter into a Preliminary Sales Tax Exemption Agreement and certain related documents (the “Interim Documents”) with respect to the Project; and

WHEREAS, simultaneously with the execution of the Interim Documents, the Agency will file with the New York State Department of Taxation and Finance the form entitled “IDA Appointment of Project Sublessee or Agent for Sales Tax Purposes” (the form required to be filed pursuant to Section 874(9) of the Act) (the “Thirty-Day Sales Tax Form”); and

WHEREAS, for purposes of exemption from New York State (the “State”) sales and use taxation as part of the Financial Assistance requested, “sales and use taxation” shall mean sales and compensating use taxes and fees imposed by article twenty-eight or twenty-eight-A of the State tax law but excluding such taxes imposed in a city by section eleven hundred seven or eleven hundred eight of such article twenty-eight;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE TOWN OF COLONIE INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. The Agency hereby authorizes the Executive Director of the Agency, after consultation with the members of the Agency and counsel to the Agency, (A) to establish a time, date and place for a public hearing of the Agency to hear all persons interested in the location and nature of the Project Facility and the proposed Financial Assistance being contemplated by the Agency with respect to the Project, said public hearing to be held in the city, town or village where the Project Facility will be located; (B) to cause notice of such public hearing to be given to the public by publishing a notice of such hearing in a newspaper of general circulation available to residents of the governmental units where the Project Facility is or is to be located, such notice and publication to comply with the requirements of Section 859-a of the Act; (C) to cause notice of said public hearing to be given to the chief executive officer of the county and each city, town, village and school district in which the Project Facility is or is to be located; (C) to conduct such public hearing; and (E) to cause a report of said public hearing fairly summarizing the views presented at a public hearing to be promptly prepared and cause copies of said report to be made available to the members of the Agency.

Section 2. The Agency hereby further authorizes the Executive Director of the Agency, after consultation with the members of the Agency and counsel to the Agency, to (A) establish a time, date and place for a meeting of the Agency to consider the approval by the Members of the Agency of the Proposed PILOT Agreement; and (B) cause notice of said meeting to be given to the chief executive officer of the county and each city, town, village and school district in which the Project Facility is or will be located, such notice to comply with the requirements of Section 874 of the Act and the UTEP.

Section 3. In order to grant the sales and use tax exemption which forms a major part of the Financial Assistance, and in order to facilitate the commencement of the Project prior to the execution of the closing documents, the Company is hereby temporarily appointed the true and lawful agent of the Agency until March 31, 2018 (as such date may be extended by future action of the Members) (A) to undertake the Project, as the stated agent for the Agency, (B) to make, execute, acknowledge and deliver all contracts, orders, receipts, writings and instruments necessary in connection therewith, and in general to do all things as may be requisite or proper for acquiring, constructing, reconstructing and installing the Project Facility with the same powers and the same validity as the Agency could do if acting in its own behalf. The form and substance of the Interim Documents (in substantially the forms presented to this meeting, subject to change as described in Section 4, and which, prior to the execution and delivery thereof, may be redated) are hereby approved. The State and local sales and use tax abatements granted under the Interim Documents shall not exceed \$100,000 in the aggregate and, in the event a straight lease transaction is not consummated by the Company by September 1, 2018 (as such date may be extended by further action of the Members, the Agency shall recapture all State and local sales and use tax benefits granted under the Interim Documents.

Section 4. (A) The Chairman (or Vice Chairman) of the Agency is hereby authorized, on behalf of the Agency, to execute and deliver the Interim Documents, and, where appropriate, the Secretary (or Assistant Secretary) of the Agency is hereby authorized to affix the seal of the Agency thereto and to attest the same. The Interim Documents shall be in substantially the forms thereof presented to this meeting with such changes, variation, omissions and insertions as the Chairman (or Vice Chairman) shall approve, the execution thereof by the Chairman (or Vice Chairman) to constitute conclusive evidence of such approval.

Section 5. The Agency hereby delegates to the Company, as agents of the Agency, the authority to designate (following the execution and delivery of the Agency Documents), agents and sub-agents of the Agency (each, a "Sub-Agent") for purposes of utilizing the Agency sales and use tax exemption with respect to the acquisition, reconstruction and installation of the Project Facility; provided that any such sub-agency designation shall become effective only upon submission to the Agency within fifteen (15) days of such agency and sub-agency designation: (1) an executed sub-agent appointment agreement (in a form approved by the Agency) and (2) a completed Form ST-60 of the New York State Department of Taxation and Finance (IDA Appointment of Project Sublessee or Agent for Sales Tax Purposes). Such agents and sub-agents may include contractors and subcontractors involved in the acquisition, reconstruction and installation of the Project Facility.

Section 6. The terms and conditions of subdivision 3 of Section 875 of the Act are herein incorporated by reference and the Company shall agree to such terms as a condition precedent to receiving or benefiting from an exemption from State and local sales and use tax exemptions benefits.

Section 7. The Interim Documents shall be deemed the obligations of the Agency, and not of any member, officer, agent or employee of the Agency in his/her individual capacity, and the members, officers, agents and employees of the Agency shall not be personally liable thereon or be subject to any personal liability or accountability based upon or in respect hereof or of any transaction contemplated hereby. The Interim Documents shall not constitute or give rise to an obligation of the State of New York or the Town of Colonie, New York and neither the State of New York nor the Town of Colonie, New York shall be liable thereon, and further, such agreement shall not constitute or give rise to a general obligation of the Agency, but rather shall constitute limited obligations of the Agency.

Section 8. The Executive Director of the Agency is hereby authorized and directed 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.

Section 9. Barclay Damon LLP is hereby authorized, at the expense of the Company, to work with the Company, Counsel to the Company, counsel to the Agency and others to prepare, for submission to the Agency, all documents necessary to effect the authorization of the transactions contemplated by this Resolution.

Section 10. This Resolution shall take effect immediately.

RESOLUTION 2017-011 -RESOLUTION OF THE TOWN OF COLONIE INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING THE EXECUTIVE DIRECTOR TO HOLD A PUBLIC HEARING REGARDING A CERTAIN PROJECT FOR THE AYCO COMPANY, L.P. (THE “COMPANY”).

WHEREAS, the Town of Colonie Industrial Development Agency (the “Agency”) is authorized and empowered by the provisions of Chapter 1030 of Laws of 1969 of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the “Enabling Act”) and Chapter 594 of the Laws of 1980 of New York, as amended, constituting Section 911-d of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the “Act”) to promote, develop, encourage and assist in the acquiring, constructing, renovating, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research, and recreation facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their 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 acquire, construct, reconstruct and install “projects” (as defined in the Act) or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, The Ayco Company, L.P., on behalf of itself and entities formed on behalf of the foregoing (the “Company”) has presented an application (the “Application”) to the Agency, a copy of which was presented at this meeting and copies of which are on file at the office of the Agency, requesting that the Agency consider undertaking a project (the “Project”) consisting of the following: (A)(1) the construction of tenant buildout and fit-up improvements in an approximately 149,005 square foot building (the “Facility”) being constructed by Starlite Associates, LLC on certain real property located at 629 Columbia Street Extension in the Town of Colonie, Albany County, New York (the “Land”), and (2) the acquisition and installation therein and thereon of various machinery and equipment (the “Equipment”) (the Land, the Facility and the Equipment being collectively referred to as the “Project Facility”), such Project Facility to constitute a new office complex and corporate headquarters; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions sales and uses taxes (the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”), and the regulations (the “Regulations”) adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, “SEQRA”), the Agency has not yet made a preliminary determination as to the potential environmental significance of the Project and therefore has not yet determined whether an environmental impact statement is required to be prepared with respect to the Project; and

WHEREAS, the Agency desires to comply with the public hearing and notice requirements contained in Section 859-a of the General Municipal Law;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE TOWN OF COLONIE INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. The Agency hereby authorizes the Executive Director of the Agency, after consultation with the members of the Agency and counsel to the Agency, (A) to establish a time, date and place for a public hearing of the Agency to hear all persons interested in the location and nature of the Project Facility and the proposed Financial Assistance being contemplated by the Agency with respect to the Project, said public hearing to be held in the city, town or village where the Project Facility will be located; (B) to cause notice of such public hearing to be given to the public by publishing a notice of such hearing in a newspaper of general circulation available to residents of the governmental units where the Project Facility is or is to be located, such notice and publication to comply with the requirements of Section 859-a of the Act; (C) to cause notice of said public hearing to be given to the chief executive officer of the county and each city, town, village and school district in which the Project Facility is or is to be located; (D) to conduct such public hearing; and (E) to cause a report of said public hearing fairly summarizing the views presented at a public hearing to be promptly prepared and cause copies of said report to be made available to the members of the Agency.

Section 2. The Executive Director of the Agency is hereby authorized and directed 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.

Section 3. The agency hereby waives any conflict arising from the representation by Barclay Damon LLP of the Agency with respect to the Project and the representation of Barclay Damon LLP of the Company in connection with the Project.

Section 4. This Resolution shall take effect immediately.