

FINGER LAKES ECONOMIC DEVELOPMENT CENTER  
1 Keuka Business Park, Suite 104  
Penn Yan, NY 14527  
Telephone: 315-536-7328

**MINUTES OF THE REGULAR BOARD MEETING OF THE FINGER LAKES ECONOMIC DEVELOPMENT CENTER**

January 27, 2016

FLEDC MEMBERS PRESENT: Taylor Fitch  
Gene Pierce  
Mary Zelazny  
Jim Willson  
Jerry Hiller  
Rita Gow  
Mark Morris

FLEDC MEMBERS ABSENT:

STAFF: Steve Griffin  
Kari DeWick  
Doreen Jensen

GUESTS: John Christensen  
Tim Dennis

Vice-Chair J. Hiller called the meeting to order at 8:03 A.M.

Roll call was taken; a quorum was present.

Vice Chair requested that New Business, Election of Officers be next on the agenda.

Gene Pierce was nominated for the Chairman's position. There were no other nominations. ***A motion was made by T. Fitch and seconded by, R. Gow to cast one ballot for the nominee. Motion passed.***

Vice -Chair J. Hiller handed the meeting over to the Chair G. Pierce.

The remaining slate of officers was nominated as the following:

Vice Chair – Jerry Hiller  
Treasurer – Jim Willson  
Secretary – Mary Zelazny  
Asst. Sec/Treas. – Mark Morris

***A motion was made by T. Fitch and seconded by R. Gow to cast one ballot for the nominees. Motion passed.***

**AGENDA CHANGES**

Under New Business add Coach & Equipment SEQR and Approving Resolutions, Frost Vines Loan Subordination request. Under Old Business add Kan Pak, LLC lease renewal.

## MINUTES

*A motion was made by R. Gow and seconded by J. Hiller to approve the December 16, 2015 minutes as written. Motion passed.*

## FINANCE COMMITTEE

D. Jensen reviewed the December financials and all bills to be paid. *A motion was made by M. Morris and seconded by R. Gow to approve the December financials, and to pay all bills submitted as presented. Motion passed.*

Receivables and the loan reports were reviewed.

## MANAGEMENT REPORT

The following updates were given to the Management Report:

S. Griffin reported on the NYSEDC Conference's Board meeting regarding a large discussion on the minimum wage increase. The North Country says this will have a huge impact on Canadian tourism. Jefferson County has a 125-year-old company who is looking to move due to the increase. The southern counties which border the PA border will also be hugely impacted. There was also discussion on the ramifications of NYS mandating 30% of any State grant money received go to Minority and Women Business Enterprise (MWBE) owned businesses. Rural counties are hugely impacted because we don't have the MWBE businesses to fill this mandate resulting in money going to MWBE's outside of their respective Counties. NYSEDC will be issuing a statement against the minimum wage increase. They will be requesting each County seek to provide companies to state why this would hurt them. There was discussion on letting the market drive the wages up. Health care is dealing with this currently. There was discussion on the best way to push back against this raise. The question was asked how the best way for the YCIDA to push back. Steve thought a resolution would be the best way to go. G. Pierce commented that we live in an agriculture and hospitality environment and those two industries will be severely impacted by the minimum wage increase. A resolution will be drafted for approval.

S. Griffin reported the interest in downtown Penn Yan is pretty impressive. S. Griffin reported on a meeting yesterday with an architect and developers from the Southern Tier that is showing significant interest in downtown. There have been two purchase offers accepted on buildings located on Main Street. These transactions have not closed but there is lots of interest. They are impressed when we tell them everything that is going on in Yates County. It is great to see all the activity around the community.

S. Griffin reported a date for the Annual Meeting and the personnel committee meeting date needs to be set.

J. Hiller requested a memo from the CEO regarding the Connection/Data Listing sales tax recovery.

K. DeWick reported the Exploring Club in all three school districts was moving forward. The Penn Yan School will transport students to the various sites. Marcus Whitman will also transport students. We have not heard whether Dundee School will offer transportation to their students. We are hoping to have

10 students sign up. The schedule is done for the various company visits. The first company visit is scheduled for February 11<sup>th</sup> at Ferro Corporation.

K. DeWick reported on working with Our Town Rocks on the 2016 contract with the FLEDC. K. DeWick reported the Dundee Laundromat is open and running. Our Town Rocks just awarded a loan for the Dundee Laundromat.

K. DeWick reported that she is working with Derek Stork on starting a Yates Young Professional group. The goal would be to meet once a month. Looking at the age group of 35 to 40 and under. Looking at other Young Professional groups and their websites to have an idea of what other similar groups are doing.

## **OLD BUSINESS**

S. Griffin updated the Board on the REI REI, Garrett Winery project. We have given them a year to move forward and there has not been any activity. The Village Planning Board has not received any plans to date.

*The following resolution was offered by Taylor Fitch, seconded by Rita Gow, to wit:*

### ***Resolution No. 0116-***

#### ***RESOLUTION AUTHORIZING YATES COUNTY INDUSTRIAL DEVELOPMENT AGENCY TO EXECUTE CERTAIN DOCUMENTS IN CONNECTION WITH THE TERMINATION OF THE REI REI, LLC PROJECT.***

WHEREAS, Yates County Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws 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 113 of the 1975 Laws of New York, as amended, constituting Section 893-b 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, reconstructing, improving, maintaining, equipping and furnishing of commercial, manufacturing and industrial 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 and install one or more "projects" (as defined in the Act) or to cause said projects to be acquired, constructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, on February 28, 2011 (the "Closing Date"), the Agency granted certain "financial assistance" within the meaning of the Act (the "Financial Assistance") in connection with a project (the "Project") being undertaken by the Agency on behalf of Rei Rei, LLC (the "Company") consisting of the following: (A) (1) the acquisition of an interest in an approximately .18 acre parcel of land located at 111 Liberty Street (tax map # 49.83-1-3) in the Village of Penn Yan, Yates County, New York (the "Land"), together with the existing building containing in the aggregate approximately 26,746 square feet located thereon (the "Facility"), (2) the renovation of all or a portion of the Facility, and (3) the acquisition and installation thereon and therein of various machinery and equipment (the "Equipment") (the Land, the

Facility and the Equipment hereinafter collectively referred to as the “Project Facility”), all of the foregoing to be owned by the Company and leased as commercial office space and other directly and indirectly related activities; (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 certain sales and use taxes, real property taxes, real property transfer taxes and mortgage recording 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 Financial Assistance was granted by a resolution adopted by the members of the Agency on November 17, 2010 (the “Approving Resolution”) and various other documents (collectively, the “Financing Documents”), including a lease to Agency dated as of February 1, 2011 (the “Lease to Agency”) by and between the Company and the Agency, a lease agreement dated as of February 1, 2011 (the “Lease Agreement”) by and between the Company and the Agency, pursuant to which the Company agreed to cause the Project to be undertaken and completed and a payment in lieu of tax agreement dated as of February 1, 2011 (the “Payment in Lieu of Tax Agreement”) by and between the Company and the Agency; and

WHEREAS, the Company has failed to complete the Project, despite repeated contacts and notices provided by the Agency; and

WHEREAS, in light of the failure by the Company to complete the Project, the Agency has determined to terminate the Lease to Agency and the Lease Agreement by the execution and delivery of certain termination documents (collectively, the “Termination Documents”); and

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

Section 1. Based upon a review of the status of the Project, the Agency hereby determines that the termination of the Project is in the public interest.

Section 2. The Agency hereby authorizes the execution by the Agency of the Termination Documents.

Section 3. The Chairman (or Vice Chairman) of the Agency is hereby authorized to execute and deliver the Termination 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, all in substantially the form attached to the Lease Agreement, with such changes, variations, 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 4. 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 Termination 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 Termination Documents binding upon the Agency.

Section 5. This Resolution shall take effect immediately.

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

Jerry Hiller	VOTING	Yes
James Willson	VOTING	Yes
Mary Ann Zelazny	VOTING	Yes
Mark Morris	VOTING	Yes
Taylor Fitch	VOTING	Yes
Rita Gow	VOTING	Yes
Gene Pierce	VOTING	Yes

The Resolution was thereupon declared duly adopted.

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

I, the undersigned (Assistant) Secretary of Yates County Industrial Development Agency (the “Agency”), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on January 27, 2016 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the “Open Meetings Law”), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this \_\_\_\_ day of January, 2016.

\_\_\_\_\_  
(Assistant) Secretary

(SEAL

Rita Gow left the meeting.

S. Griffin reported that Kan-Pak, LLC would like to renew their lease at 109 Horizon Business Park. They currently rented it for the month of January and requested a one-month renewal for February. ***A motion was made by M. Zelazny and seconded by J. Willson to authorize the chair to sign the lease renewal with Kan-Pak, LLC cfor one month. Motion passed.***

## **NEW BUSINESS**

S. Griffin reported working with Barney Moravec, Inc. to purchase 3 acres of land at Horizon Business Park. They are planning on constructing an 8,000 square foot structure to house well drilling and other equipment. A use variance will be needed to before construction can begin. S. Griffin has a verbal agreement for \$100,000 for the three acres. Construction will start as soon as approvals are all set. ***A motion was made by M. Zelazny and seconded by M. Morris to sell three acres of land at Horizon Business Park to Barney Moravec, Inc. for \$100,000. Motion passed.***

K. DeWick reviewed the Coach & Equipment Manufacturing Corp. straight leaseback application. They are purchasing a full CRM system that will be a major update to their current software program making their total operation more efficient. The company stated they cannot grow the business without the implementation of this software program. The total project cost is \$415,000. We will be saving them \$7,500 in sales tax and this will retain 137 jobs with the potential for at least 4 to be created.

***The following resolution was offered by Taylor Fitch, seconded by Jim Willson, to wit:***

### ***Resolution No. 0116-***

***RESOLUTION DETERMINING THAT ACTION TO UNDERTAKE A PROJECT FOR THE BENEFIT OF COACH & EQUIPMENT MANUFACTURING CORP. IS A "TYPE II ACTION" AND NO FURTHER ACTION IS REQUIRED UNDER SEQRA WITH RESPECT THERETO.***

WHEREAS, Yates County Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws 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 113 of the 1975 Laws of New York, as amended, constituting Section 893-b 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, reconstructing, improving, maintaining, equipping and furnishing of manufacturing, commercial and industrial 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 and install one or more "projects" (as defined in the Act) or to cause said projects to be acquired, constructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, Coach & Equipment Manufacturing Corp., a New York business corporation (the “Company”), submitted an application (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, which Application requested that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following: (A) the acquisition and installation of various production equipment, furniture and fixtures, computers, miscellaneous computer equipment together with various software systems and programming and data entry services (collectively, the “Project Facility”) at the facility located at 130 Horizon Park Drive in the Town of Milo, Village of Penn Yan, Yates County, New York, all of the foregoing to be owned and operated by the Company as a manufacturing and processing facility and directly and indirectly related activities; (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 certain sales and use 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, pursuant to the Application, and the representations made to the Agency by the Company, the Agency will not provide more than \$100,000 of Financial Assistance to the Company; therefore, Section 859-a of the Act does not require a public hearing be held with respect to the Project; 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 must satisfy the requirements contained in SEQRA and the Regulations prior to making a final determination whether to undertake the Project; and

WHEREAS, to aid the Agency in determining whether the Project may have a significant effect upon the environment, the Company has prepared and submitted to the Agency an environmental assessment form (the “EAF”) with respect to the Project, a copy of which EAF was presented to and reviewed by the Agency at this meeting and a copy of which is on file at the office of the Agency; and

WHEREAS, pursuant to SEQRA, the Agency has examined the EAF in order to make an determination as to the potential environmental significance of the Project; and

WHEREAS, the Project appears to constitute a “Type II action” (as said quoted term is defined in the Regulations), and therefore it appears that no further determination or procedure under SEQRA is required with respect to the Project;

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

Section 1. The Agency has received copies of, and has reviewed, the Application and the EAF submitted to the Agency by the Company with respect thereto (collectively, the “Reviewed Documents”) and, based upon said Reviewed Documents and the representations made by the Company to the Agency at this meeting, and based further upon the Agency’s knowledge of the area surrounding the Project Facility and such further investigation of the Project and its environmental effects as the Agency has deemed appropriate, the Agency makes the following findings and determinations with respect to the Project:

(A) The project (the “Project”) consists of the following: (A) the acquisition and installation of various production equipment, furniture and fixtures, computers, miscellaneous computer equipment together with various software systems and programming and data entry services (collectively, the “Project Facility”) at the facility located at 130 Horizon Park Drive in the Town of Milo, Village of Penn Yan, Yates County, New York, all of the foregoing to be owned and operated by the Company as a manufacturing and processing facility and directly and indirectly related activities; (B) the granting of certain other “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use 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.

(B) The Project consists of the purchase of equipment.

Section 2. Based upon the foregoing, the Agency makes the following findings and determinations with respect to the Project:

(A) Pursuant to Sections 617.5(c) (25) of the Regulations, the Project is a “Type II action” (as said quoted term is defined in the Regulations); and

(B) Therefore, the Agency hereby determines that no environmental impact statement or any other determination or procedure is required under the Regulations.

Section 3. The Chief Executive Officer of the Agency is hereby directed to file a copy of this Resolution with respect to the Project in the office of the Agency.

Section 4. This Resolution shall take effect immediately.

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

Jerry Hiller	VOTING	Yes
James Willson	VOTING	Yes
Mary Ann Zelazny	VOTING	Yes
Mark Morris	VOTING	Yes
Taylor Fitch	VOTING	Yes
Rita Gow	VOTING	Yes
Gene Pierce	VOTING	Yes

The foregoing Resolution was thereupon declared duly adopted.

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

I, the undersigned (Assistant) Secretary of Yates County Industrial Development Agency (the “Agency”), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on January 27, 2016 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the “Open Meetings Law”), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this \_\_\_\_ day of January, 2016.

\_\_\_\_\_  
(Assistant) Secretary

(SEAL)

*The following resolution was offered by Mark Morris, seconded by Jim Willson, to wit:*

***Resolution No. 0116-***

***RESOLUTION AUTHORIZING EXECUTION OF DOCUMENTS IN CONNECTION WITH A SALE/SALEBACK TRANSACTION FOR A COMMERCIAL PROJECT FOR COACH & EQUIPMENT MANUFACTURING CORP. (THE "COMPANY").***

WHEREAS, Yates County Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws 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 113 of the 1975 Laws of New York, as amended, constituting Section 893-b 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, reconstructing, improving, maintaining, equipping and furnishing of commercial, manufacturing and industrial 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 and install one or more "projects" (as defined in the Act) or to cause said projects to be acquired, constructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, Coach & Equipment Manufacturing Corp., a New York business corporation (the "Company"), submitted an application (the "Application") to the Agency, a copy of which Application is on file at the office of the Agency, which Application requested that the Agency consider undertaking a project (the "Project") for the benefit of the Company, said Project consisting of the following: (A) the acquisition and installation of various production equipment, furniture and fixtures, computers, miscellaneous computer equipment together with various software systems and programming and data entry services (collectively, the "Project Facility") at the facility located at 130 Horizon Park Drive in the Town of Milo, Village of Penn Yan, Yates County, New York, all of the foregoing to be owned and operated by the Company as a manufacturing and processing facility and directly and indirectly related activities; (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 certain sales and use 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, pursuant to the Application, and the representations made to the Agency by the Company, the Agency will not provide more than \$100,000 of Financial Assistance to the Company; therefore, Section 859-a of the Act does not require a public hearing be held with respect to the Project; 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 January 27, 2016 (the "SEQR Resolution") the Agency determined that the Project constitutes a "Type II Action" (as such quoted term is defined under SEQRA), and therefore that no further action with respect to the Project was required under SEQRA; and

WHEREAS, the Agency has given due consideration to the Application, and to representations by the Company that (A) the granting by the Agency of the Financial Assistance with respect to the Project will be an inducement to the Company to undertake the Project in Yates County, New York and (B) the completion of the Project will not result in the removal of a plant or facility of any proposed occupant of the Project Facility from one area of the State of New York to another area in the State of New York and will not result in the abandonment of one or more plants or facilities of any occupant of the Project Facility located in the State of New York; and

WHEREAS, the Agency desires to encourage the Company to preserve and advance the job opportunities, health, general prosperity and economic welfare of the people of Yates County, New York by undertaking the Project in Yates County, New York; and

WHEREAS, in order to consummate the Project and the granting of the Financial Assistance, the Agency proposes to enter into the following documents (hereinafter collectively referred to as the "Agency Documents"): (A) a certain bill of sale to agency (the "Bill of Sale") from the Company to the Agency, pursuant to which the Company will convey to the Agency its interest in the Project Facility; (B) a certain installment sale agreement (the "Installment Sale Agreement") by and between the Agency and the Company, pursuant to which, among other things, the Company agrees to undertake the Project as agent of the Agency and the Company further agrees to purchase the Project Facility from the Agency and, in connection with the sale 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 certain project benefits agreement (the "Project Benefits Agreement") by and between the Agency and the Company regarding the granting of the financial assistance and the potential recapture of such assistance; (D) a recapture agreement (the "Section 875 GML Recapture Agreement") by and between the Company and the Agency, required by the Act, regarding the recovery or recapture of certain sales and use taxes; (E) a sales tax exemption letter (the "Sales Tax Exemption Letter") to ensure the granting of the sales tax exemption which forms a part of the Financial Assistance; (F) a New York State Department of Taxation and Finance form entitled "IDA Appointment of Project Operator or Agency for Sales Tax Purposes" (the form required to be filed pursuant to Section 874(9) of the Act) (the "Thirty-Day Sales Tax Report") and any additional report to the Commissioner of the State Department of Taxation and Finance concerning the amount of sales tax exemption benefit for the Project (the "Additional Thirty-Day Project Report"); (G) if the Company intends to finance the Project with borrowed money, a mortgage and any other security documents and related documents (collectively, the "Mortgage") from the Agency and the Company to the Company's lender with respect to the Project ("the "Lender"), which Mortgage will grant a lien on and security interest in the Project Facility to secure a loan from the Lender to the Company with respect to the Project (the "Loan"); and (H) various certificates relating to the Project (the "Closing Documents");

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

Section 1. The law firm of Hodgson Russ LLP is hereby appointed Special Counsel to the Agency with respect to all matters in connection with the Project. Special Counsel for the Agency 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 transactions contemplated by this Resolution. Special Counsel has prepared and submitted an initial draft of the Agency Documents to staff of the Agency.

Section 2. In order to preserve the sales tax exemption which forms a major part of the Financial Assistance, and in order to facilitate the commencement of the Project, the Company is hereby appointed the true and lawful agent of the Agency (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 undertaking the Project with the same powers and the same validity as the Agency could do if acting in its own behalf and (C) to pay all fees, costs and expenses incurred in the acquisition of the Project Facility from its own funds.

Section 3. The Agency 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 Project constitutes a “project,” as such term is defined in the Act;

(C) The Project site is located entirely within the boundaries of Yates County, New York;

(D) It is estimated at the present time that the costs of the planning, development, acquisition and installation of the Project Facility (collectively, the “Project Costs”) will be approximately \$415,200;

(E) The completion of the Project will not result in the removal of a plant or facility of any proposed occupant of the Project Facility from one area of the State of New York to another area in the State of New York and will not result in the abandonment of one or more plants or facilities of any occupant of the Project Facility located in the State of New York;

(F) The Agency will not provide more than \$100,000 of Financial Assistance to the Company; therefore, Section 859-a of the Act does not require a public hearing be held with respect to the Project;

(G) The Project does not constitute a project where facilities or property that are primarily used in making retail sales to customers who personally visit such facilities constituting more than one third of the total project cost;

(H) The granting of the Financial Assistance by the Agency with respect to the Project will promote and maintain the job opportunities, general prosperity and economic welfare of the citizens of Yates County, New York and the State of New York and improve their standard of living, and thereby serve the public purposes of the Act; and

(I) It is desirable and in the public interest for the Agency to enter into the Agency Documents.

Section 4. In consequence of the foregoing, the Agency hereby determines to: (A) accept the Bill of Sale; (B) sell the Project Facility to the Company pursuant to the Installment Sale Agreement; (C) acquire and install the Project Facility, or cause the Project Facility to be acquired and installed; (D) enter into the Project Benefits Agreement; (E) enter into the Section 875 GML Recapture Agreement; (F) secure the Loan by entering into the Mortgage; and (G) grant the Financial Assistance with respect to the Project.

Section 5. The Agency is hereby authorized (A) to acquire title to the Project Facility pursuant to the Bill of Sale, and (B) to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisitions are hereby approved, ratified and confirmed.

Section 6. The Agency is hereby authorized to acquire and install the Project Facility as described in the Installment Sale 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 and installation are hereby ratified, confirmed and approved.

Section 7. The Chairman (or Vice Chairman) of the Agency, with the assistance of Agency Counsel and/or Special Counsel, is authorized to negotiate and approve the form and substance of the Agency Documents.

Section 8. (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, all in the forms thereof 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 (or Vice 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 Installment Sale Agreement).

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.

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

Jerry Hiller	VOTING	Yes
James Willson	VOTING	Yes
Mary Ann Zelazny	VOTING	Yes
Mark Morris	VOTING	Yes
Taylor Fitch	VOTING	Yes
Rita Gow	VOTING	Absent
Gene Pierce	VOTING	Yes

The foregoing Resolution was thereupon declared duly adopted.

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

I, the undersigned (Assistant) Secretary of Yates County Industrial Development Agency (the “Agency”), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on January 27, 2016 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the “Open Meetings Law”), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this \_\_\_\_ day of January, 2016.

\_\_\_\_\_  
(Assistant) Secretary

(SEAL)

S. Griffin reported that USNY Bank on behalf of Frost Vines, LLC has requested a subordination on their loan. They have an Ag Loan with us. They borrowed \$150,000 and owe a little less than \$100,000, They are current on their loan. There was discussion on this request. J. Hiller reported he would like to have the loan review committee review this request. This was tabled until loan review committee could review.

S. Griffin reported the Personnel Committee needs to meet. We also need to replace Jim Long as a member of the Personnel Committee. Mary Zelazny and Jerry Hiller are also part of the Personnel Committee. ***A motion was made by M. Morris and seconded by J. Willson to appoint Gene Pierce, Mary Zelazny and Jerry Hiller to the Personnel Committee. Motion passed.***

A Special meeting was scheduled for Monday, Feb. 8<sup>th</sup> at Noon if needed for the Frost Vines subordination and any other business that needs action at this time.

The Annual Meeting was tentatively scheduled for March 11<sup>th</sup>, 2016 at 3:00 PM. Location to be determined.

The Board requested resolutions be emailed prior to Board Meeting. There was discussion on adding a portal to the website for documents and/or through Dropbox for board packet documents.

***A motion was made by M. Zelazny and seconded by T. Fitch to go into Executive session at 9:35 A.M., to discuss litigation in the case of MVP Sport's Bar. Motion passed.***

***A motion was made by M. Morris and seconded by J. Willson to come out of Executive Session at 9:50 A.M. Motion passed.***

There was no action taken in Executive Session.

There was more discussion on the minimum wage increase.

***A motion was made by M. Zelazny and seconded by J. Willson to adjourn the meeting at 9:54 A.M. Motion passed.***

Respectfully submitted,

Doreen J. Jensen