

**SEQR RESOLUTION
KEUKA GARDENS, LLC PROJECT**

A regular meeting of Yates County Industrial Development Agency (the "Agency") was convened in public session in the offices of the Agency located at One Keuka Business Park in Penn Yan, Yates County, New York on March 15, 2017 at 7:30 o'clock a.m., local time.

The meeting was called to order by the (Vice) Chairman of the Agency and, upon roll being called, the following members of the Agency were:

PRESENT:

| | |
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| Gene Pierce | Chairman |
| Mark Morris | Assistant Secretary/Treasurer |
| James Willson | Treasurer |
| Rita Gow | Member |
| Dr. Kim Williams | Member |

ABSENT:

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| Jerry Hiller | Vice Chairman |
| Mary Ann Zelazny | Secretary |

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

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| Steve Griffin | Chief Executive Officer |
| Doreen Jensen | Chief Financial Officer |

The following resolution was offered by Mark Morris, seconded by Kim Williams, to wit:

Resolution No. 0317 - ____

RESOLUTION ACCEPTING THE DETERMINATION BY THE VILLAGE OF PENN YAN PLANNING BOARD TO ACT AS LEAD AGENCY FOR THE ENVIRONMENTAL REVIEW OF THE KEUKA GARDENS, LLC PROJECT AND ACKNOWLEDGING RECEIPT OF THE NEGATIVE DECLARATION ISSUED 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 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 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, in October, 2016, Keuka Gardens, LLC, a New York limited liability company to be formed (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) (1) the acquisition of an interest in a 2.5 acre parcel of land located at 199 Brown Street Extension (Tax Map # 61.35-1-17) in the Town of Milo, Village of Penn Yan, Yates County, New York (the “Land”), (2) the construction of a new facility to contain approximately 42 unit mixed income apartments (the “Facility”), and (3) the acquisition and installation therein and thereon of certain 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 and operated by the Company and to constitute a commercial residential facility to be leased to various residential tenants 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, by resolution adopted by the members of the Agency on October 26, 2016 (the “Public Hearing Resolution”), the Agency authorized a public hearing to be held pursuant to Section 859-a of the Act with respect to the Project; and

WHEREAS, pursuant to the authorization contained in the Public Hearing Resolution, the Chief Executive Officer of the Agency (A) caused notice of a 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 November 7, 2016 to the chief executive officers of the county and of each city, town, village and school district in which the Project Facility is to be located, (B) caused notice of the Public Hearing to be posted on November 7, 2016 on public bulletin boards located at (1) the Yates County Courthouse located at 415 Liberty Street in the Village of Penn Yan, Yates County, New York, (2) the Town of Milo Offices located at 137 Main Street in the Town of Milo, Yates County, New York and (3) 111 Elm Street in the Town of Milo, Village of Penn Yan, Yates County, New York, (C) caused notice of the Public Hearing to be published on November 9, 2016 in The Chronicle-Express, a newspaper of general circulation available to the residents of Town of Milo, Village of Penn Yan, Yates County, New York, (D) conducted the Public Hearing on November 30, 2016 at 7:00 a.m., local time at the Village of Penn Yan Board Room located at 111 Elm Street in the Town of Milo, Village of Penn Yan, Yates County, New York, and (E) prepared a report of the Public Hearing (the “Public Hearing Report”) fairly summarizing the views presented at such Public Hearing and caused copies of said Public Hearing Report to be made available to the members of 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 been informed that (A) the Village of Penn Yan Planning Board (the “Planning Board”) was designated to act as the “lead agency” with respect to the Project and (B) on January 12, 2017 the Planning Board determined that that the Project is a “unlisted

action” which will not have a “significant effect on the environment” and, therefore, that an “environmental impact statement” is not required to be prepared with respect to the Project and issued a negative declaration with respect thereto (the “Negative Declaration”); and

WHEREAS, at the time that the Planning Board determined itself to be the “lead agency” with respect to the Project, it was not known that the Agency was an “involved agency” with respect to the Project, and, now that the Agency has become an “involved agency” with respect to the Project, the Agency desires to concur in the designation of the Planning Board as “lead agency” with respect to the Project, to acknowledge receipt of a copy of the Negative Declaration and to indicate that the Agency has no information to suggest that the Planning Board was incorrect in determining that the Project will not have a “significant effect on the environment” pursuant to SEQRA;

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

Section 1. (A) The Agency has received copies of, and has reviewed, the Application and the Negative Declaration (collectively, the “Reviewed Documents”) and, based upon said Reviewed Documents and the representations made by the Company to the Agency at this meeting, the Agency hereby ratifies and concurs in the designation of the Planning Board as “lead agency” with respect to the Project (as such quoted term is defined in SEQRA).

(B) The Agency hereby determines that the Agency has no information to suggest that the Planning Board was incorrect in determining that the Project will not have a “significant effect on the environment” pursuant to SEQRA (as such quoted phrase is used in SEQRA).

Section 2. 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:Y

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| Gene Pierce | VOTING | Yes |
| Jerry Hiller | VOTING | Absent |
| Mary Ann Zelazny | VOTING | Absent |
| Mark Morris | VOTING | Yes |
| James Willson | VOTING | Yes |
| Rita Gow | VOTING | Yes |
| Dr. Kim Williams | VOTING | Yes |

The foregoing Resolution was thereupon declared duly adopted.

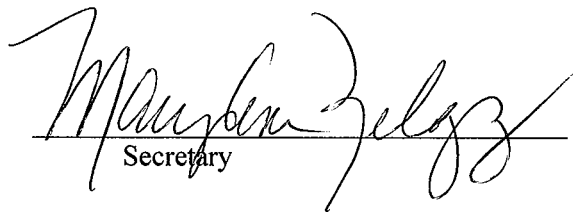
STATE OF NEW YORK)
) SS.:
COUNTY OF YATES)

I, the undersigned 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 March 15, 2017 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 15th day of March, 2017.


Secretary

(SEAL)

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State Environmental Quality Review
NEGATIVE DECLARATION
Notice of Determination of Non-Significance

Project Number SP-6-16

Date: January 12, 2017

This notice is issued pursuant to Part 617 of the implementing regulations pertaining to Article 8 (State Environmental Quality Review Act) of the Environmental Conservation Law.

The Village of Penn Yan Planning Board as lead agency, has determined that the proposed action described below will not have a significant environmental impact and a Draft Impact Statement will not be prepared.

Name of Action:

Keuka Gardens, LLC

SEQR Status: Type 1
 Unlisted

Conditioned Negative Declaration: Yes
 No

Description of Action:

18,715ft² 2-3 story apartment building on 3.6 acre parcel with parking lot and site amenities.

Reasons Supporting This Determination:

The impact of a considerably sized multiple-unit residential building situated between a residential zone and an area with a concentration of commercial enterprise adjacent to a high-use state roadway is acceptable for the location and not considered excessive with regard to aesthetics, existing air quality, traffic patterns, or noise; and would have minimal impact on existing vegetation, fauna, and habitat.

Due to the planned stormwater management pond it has been determined the project would convey no measurable impact to quality or quantity of surface or ground water, and will have no impact on potential erosion, drainage issues, or flooding.

The project demonstrates an effort to reduce its carbon footprint with innovations gaining, and in some cases surpassing, LEED status (*Leadership in Energy and Environmental Design*) which will ensure no significant negative impact on the quantity or type of energy.

The increase in density was determined not to substantially influence the capacity to support existing uses.

The project location does not fall wholly or partially within, nor is it substantially contiguous to an historic boundary, public park land, recreation area, or designated open space. It will not have any impact on important historical aesthetic resources.

The site does not contain species on the endangered list.

The project will not impair any environmental characteristics of the area.

Growth possibly encouraged by this activity would be supported by the community as defined in the Comprehensive Master Plan for gateway aesthetics, improved walkability, and increasing availability of affordable housing.

For Further Information:

Contact Person: Clifford Orr, Chairman

Address: Village of Penn Yan, PO Box 426, Penn Yan, NY 14527

Telephone Number: (315) 536-3015