

**SEQR RESOLUTION
KEUKA LAKE HOTEL 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 November 20, 2013 at 8:00 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:

| | |
|-------------------|-------------------------------|
| Kevin T. Bailey | Chairman |
| Craig E. Densmore | Secretary |
| James Long | Vice Chairman |
| Robert Corcoran | Treasurer |
| Mary Ann Zelazny | Assistant Secretary/Treasurer |
| Mike Briggs | Member |
| Tim Dennis | Member |

ABSENT:

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

| | |
|---------------|-----------------------------------|
| Steve Griffin | Chief Executive Officer |
| Doreen Jensen | Chief Financial Officer |
| Alex Taylor | Director of Community Development |

The following resolution was offered by _____, seconded by _____, to wit:

Resolution No. 1113-

RESOLUTION ACCEPTING THE DETERMINATION BY THE VILLAGE OF PENN
YAN PLANNING BOARD TO ACT AS LEAD AGENCY FOR THE
ENVIRONMENTAL REVIEW OF THE KEUKA LAKE HOTEL 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 manufacturing,

warehousing, research, 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, reconstruct and install one or more "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, Keuka Lake Hotel LLC, a New York limited liability company (the "Company") has 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 parcel of land containing approximately 9 acres located at Lake and Mace Streets (TM # 61.33-1-9.1) in the Village of Penn Yan, Town of Milo, Yates County, New York (the "Land"), (2) the construction on the Land of a hotel to contain approximately 72 rooms (the "Facility"), and (3) the acquisition and installation of certain machinery and equipment therein and thereon (the "Equipment") (the Land, the Facility and the Equipment hereinafter collectively referred to as the "Project Facility"), all of the foregoing to constitute a commercial hotel and lodging facility and any other directly or 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 estate 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, 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 September 12, 2013 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, an environmental assessment form prepared by the Company 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:

| | | |
|-------------------|--------|-------|
| Kevin T. Bailey | VOTING | _____ |
| Craig E. Densmore | VOTING | _____ |
| James Long | VOTING | _____ |
| Robert Corcoran | VOTING | _____ |
| Mary Ann Zelazny | VOTING | _____ |
| Mike Briggs | VOTING | _____ |
| Tim Dennis | VOTING | _____ |

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 November 20, 2013 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 20th day of November, 2013.

(SEAL)

(Assistant) Secretary