

**SEQR RESOLUTION
OAK HILL BULK FOODS, INC. 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 on September 17, 2008 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:

Jeff Gifford	Chairman
Taylor Fitch	Vice Chairman
Susan Andersen	Secretary
Jerry Hiller	Treasurer
Kevin Bailey	Member
Jim Long	Member

ABSENT:

Rod Williams	Member
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AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Steve Griffin	Chief Executive Officer
Doreen Jensen	Chief Financial Officer
Ryan Hallings	Empire Zone Coordinator

The following resolution was offered by Taylor Fitch, seconded by Susan Adersen, to wit:

Resolution No. _____

RESOLUTION DETERMINING THAT ACTION TO UNDERTAKE A PROJECT FOR THE BENEFIT OF OAK HILL BULK FOODS, INC. WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.

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 civic 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 September, 2008, Oak Hill Bulk Foods, Inc., 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) (1) the acquisition of an interest in an approximately 3.50 acre parcel of land located at 3173 Route 14A in the Town of Milo, Yates County, New York (the "Land") on which land is located an approximately 3,344 square foot building (the "Existing Facility"), (2) the construction of an approximately 3,600 square foot addition to the Existing Facility (the "Addition") (the Existing Facility and the Addition hereinafter collectively referred to as the "Facility") and (3) the acquisition and installation therein and thereon of certain machinery and equipment (the "Equipment"), all of the foregoing to constitute the expansion of an existing retail and packaging facility and related activities to be owned and operated by the Company (the Land, the Facility and the Equipment being collectively referred to as the "Project Facility"); (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, 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 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 does not appear to constitute a "Type I Action" (as said quoted term is defined in the Regulations), and therefore coordinated review and notification is optional with respect to the actions contemplated by the Agency with respect to the Project; and

WHEREAS, the Agency desires to conduct an uncoordinated review of the Project and to determine whether the Project may have a "significant effect on the environment" and therefore require the preparation of an environmental impact statement;

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

Section 1. Based upon an examination of the Application and the EAF (collectively, the "Reviewed Materials") 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 with respect to the Project:

A. The project (the "Project") consists of the following: (A) (1) the acquisition of an interest in an approximately 3.50 acre parcel of land located at 3173 Route 14A in the Town of Milo, Yates County, New York (the "Land") on which land is located an approximately 3,344 square foot building (the "Existing Facility"), (2) the construction of an approximately 3,600 square foot addition to the Existing Facility (the "Addition") (the Existing Facility and the Addition hereinafter collectively referred to as the "Facility") and (3) the acquisition and installation therein and thereon of certain machinery and equipment (the "Equipment"), all of the foregoing to constitute the expansion of an existing retail and packaging facility and related activities to be owned and operated by the Company (the Land, the Facility and the Equipment being collectively referred to as the "Project Facility"); (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, 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.

B. No potentially significant impacts on the environment are noted in the Reviewed Materials, and none are known to the Agency.

Section 2. Based upon the foregoing investigation of the potential environmental impacts of the Project and considering both the magnitude and importance of each environmental impact therein indicated, the Agency makes the following findings and determinations with respect to the Project:

A. The Project constitutes an “Unlisted Action” (as said quoted term is defined in the Regulations) and therefore coordinated review and notification of other involved agencies is strictly optional. The Agency hereby determines not to undertake a coordinated review of the Project, and therefore will not seek lead agency status with respect to the Project;

B. The Project will result in no major impacts and, therefore, is one which will not cause significant damage to the environment. Therefore, the Agency hereby determines that the Project will not have a significant effect on the environment, and the Agency will not require the preparation of an environmental impact statement with respect to the Project; and

C. As a consequence of the foregoing, the Agency has decided to prepare a negative declaration with respect to the Project.

Section 3. The Chief Executive Officer of the Agency is hereby directed to prepare a negative declaration with respect to the Project, said negative declaration to be substantially in the form and to the effect of the negative declaration attached hereto, and to cause copies of said negative declaration to be (A) filed in the main office of the Agency and (B) distributed to the Company.

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:

Jeff Gifford	VOTING	<u>Yes</u>
Taylor Fitch	VOTING	<u>Yes</u>
Susan Anderson	VOTING	<u>Yes</u>
Jerry Hiller	VOTING	<u>Yes</u>
Kevin Bailey	VOTING	<u>Yes</u>
Jim Long	VOTING	<u>Yes</u>
Rod Williams	VOTING	<u>Excused</u>

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 September 17, 2008 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 17th day of September, 2008.



(Assistant) Secretary

(SEAL)

NOTICE OF DETERMINATION
OF NO SIGNIFICANT EFFECT
ON THE ENVIRONMENT

TO ALL INTERESTED AGENCIES, GROUPS AND PERSONS:

In accordance with Article 8 (State Environmental Quality Review) of the Environmental Conservation Law (the "Act"), and the statewide regulations under the Act (6 NYCRR Part 617) (the "Regulations"), notice is hereby given that Yates County Industrial Development Agency (the "Agency") has reviewed an application and an environmental assessment form from Oak Hill Bulk Foods, Inc. (the "Company") in connection with the proposed project described below (the "Project") and that the Agency has determined (A) that the proposed Project is an "Unlisted Action" pursuant to the Regulations, and therefore that coordinated review and notification is optional with respect to said Project; (B) to conduct an uncoordinated review of the Project; (C) that the Project will result in no major impacts and therefore will not have a significant effect on the environment; and (D) therefore that an environmental impact statement is not required to be prepared with respect to the Project. THIS NOTICE IS A NEGATIVE DECLARATION FOR THE PURPOSES OF THE ACT.

1. Lead Agency: The Agency has determined not to follow the coordinated review provisions of the Regulations. Therefore, there is no lead agency for the Project.

2. Person to Contact for Further Information: Steve Griffin, Chief Executive Officer, Yates County Industrial Development Agency, One Keuka Business Park, Penn Yan, New York 14527; Telephone No. (315) 536-7328.

3. Project Identification: Proposed Oak Hill Bulk Foods, Inc. Project.

4. Project Description: The Project (the "Project") consists of the following: (A) (1) the acquisition of an interest in an approximately 3.50 acre parcel of land located at 3173 Route 14A in the Town of Milo, Yates County, New York (the "Land") on which land is located an approximately 3,344 square foot building (the "Existing Facility"), (2) the construction of an approximately 3,600 square foot addition to the Existing Facility (the "Addition") (the Existing Facility and the Addition hereinafter collectively referred to as the "Facility") and (3) the acquisition and installation therein and thereon of certain machinery and equipment (the "Equipment"), all of the foregoing to constitute the expansion of an existing retail and packaging facility and related activities to be owned and operated by the Company (the Land, the Facility and the Equipment being collectively referred to as the "Project Facility"); (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, 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.

5. Project Location: The Project Facility will be located at 3173 Route 14A in the Town of Milo, Yates County, New York.

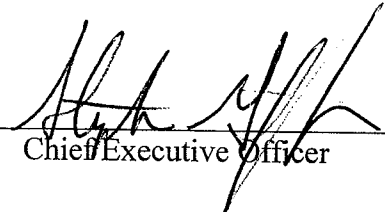
6. Reasons for Determination of Non-Significance: By resolution adopted by the members of the Agency on September 17, 2008, no significant environmental impacts were identified by the Agency in its review of the environmental assessment form submitted to the Agency with respect to the Project and, based 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, no significant environmental impacts are known to the Agency.

7. Comment Period: All interested parties, groups and persons disagreeing with or otherwise desiring to comment upon the Agency's environmental determination with respect to this Project are invited to submit written comments for consideration by the Agency. All such comments should be sent by mail addressed to Steve Griffin, Chief Executive Officer at the address specified in paragraph two hereof.

Dated: September 17, 2008

YATES COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

BY: _____


Chief Executive Officer