

**SEQR RESOLUTION – ADOPTING FINDINGS  
SDMD ENTERPRISES, LLC DBA MAGNUS RIDGE WINERY 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 July 21, 2010 at 8:00 o’clock a.m., local time.

The meeting was called to order by the 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
Jerry C. Hiller	Treasurer
Rodman Williams	Assistant Treasurer/Secretary
Robert Corcoran	Member
James Long	Member
Tim Dennis	Member

ABSENT:

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

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

The following resolution was offered by Rod Williams, seconded by Jim Long, to wit:

***RESOLUTION CONCURRING IN THE DETERMINATION BY THE TOWN OF STARKEY PLANNING BOARD, AS LEAD AGENCY FOR A CERTAIN PROJECT FOR SDMD ENTERPRISES, LLC DBA MAGNUS RIDGE WINERY.***

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 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, SDMD Enterprises, LLC dba Magnus Ridge Winery, a New York limited liability company (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 16 acre parcel of land located at 6148 Route 14, in the Village of Dundee and the Town of Starkey, Yates County, New York (the "Land"), (2) the construction on the Land of a facility complex to contain in the aggregate approximately 7,400 square feet of space (collectively, the "Facility"), (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 facility to be owned and operated by the Company as a wine producing, hospitality, café and gift shop 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 (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 authorization contained in a resolution adopted by the members of the Agency on June 16, 2010 (the "Public Hearing Resolution"), the Chief Executive Officer of the Agency (A) caused notice of a public hearing of the Agency pursuant to Section 859-a of the Act (the "Public Hearing") 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 June 29, 2010 to the chief executive officers of the county and of each city, town, village and school district in which the Project is to be located, (B) caused notice of the Public Hearing to be posted on June 29, 2010 on a public bulletin board at the offices of the Agency, located at One Keuka Business Park, in the Town of Penn Yan, Yates County, New York, (C) caused notice of the Public Hearing to be published on June 30, 2010 in the Chronicle-Express, a newspaper of general circulation available to the residents of the Town of Starkey, Yates County, New York, (D) conducted the Public Hearing on July 16, 2010 at 10:00 a.m., local time at the Town of Starkey Town Hall, located at 40 Seneca Street, in the Village of Dundee, 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 (1) the Town of Starkey Planning Board (the "Planning Board") was designated to act as "lead agency" with respect to the Project, and (2) the Planning Board issued a Determination of Non Significance on December 1, 2009 (the "Negative Declaration," a copy of which is attached hereto as **Exhibit A**), determining that (a) the acquisition, construction and installation of the Project Facility will not have a "significant effect on the

environment” and (b) an environmental impact statement need not be prepared with respect to the Project; and

WHEREAS, the Agency is an “involved agency” with respect to the Project and the Agency now desires to concur in the determination by the Planning Board, as “lead agency” with respect to the Project, to acknowledge receipt of a copy of the Negative Declaration and to indicate whether the Agency has any 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 and, therefore, that no environmental impact statement need be prepared 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 the Application and the Negative Declaration (collectively the “Reviewed Documents”) and, based upon said Reviewed Documents, the Agency hereby ratifies and concurs in the designation of the Planning Board as “lead agency” with respect to the Project under SEQRA (as such quoted term is defined in SEQRA).

Section 2. 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 the SEQRA and, therefore, that no environmental impact statement need be prepared with respect to the Project (as such quoted phrase is used in SEQRA).

Section 3. The Chief Executive Officer of the Agency is hereby directed to notify the Planning Board of the concurrence by the Agency that the Planning Board shall be the “lead agency” with respect to the Project, and to further indicate to the Planning Board that the Agency has no information to suggest that the Planning Board was incorrect in its determinations contained in the Negative Declaration.

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:

Kevin T. Bailey	VOTING	<u>Yes</u>
Craig E. Densmore	VOTING	<u>Yes</u>
Jerry C. Hiller	VOTING	<u>Yes</u>
Rodman Williams	VOTING	<u>Yes</u>
Robert Corcoran	VOTING	<u>Yes</u>
James Long	VOTING	<u>Yes</u>
Tim Dennis	VOTING	<u>Yes</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 July 21, 2010 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 21<sup>st</sup> day of July, 2010.

Craig E. Denmore      7/21/10  
(Assistant) Secretary

(SEAL)

EXHIBIT A  
NEGATIVE DECLARATION

---SEE ATTACHED---

14-10-11 1400-700 10



PROJECT ID NUMBER

617-20

Appendix C

State Environmental Quality Review

### SHORT ENVIRONMENTAL ASSESSMENT FORM

For UNLISTED ACTIONS Only

PART I Project Information (To be completed by Applicant or Project sponsor)

1. Applicant/Owner		2. Project Name <b>MAGNUS RIDGE WINERY</b>	
3. Project Address Municipality: <b>TOWN OF STARKEY</b>		County: <b>MATES</b>	
4. Is a proposed action: <input checked="" type="checkbox"/> New <input type="checkbox"/> Expansion <input type="checkbox"/> Rehabilitation/Restoration			
5. Detailed project description: <b>PROPOSED WINERY, VISITOR CENTER</b>			
6. Project location (road connections, parcel/lot numbers, etc. or provide map): <b>6148 RT 14, ROCK STREAM, NY 14878</b>			
7. Amount of land affected: Locality: _____ Acres    City/County: _____			
8. Will proposed action comply with existing zoning or other zoning land use restrictions? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No    If No, describe briefly: <b>SPECIAL USE PERMIT REQUIRED</b>			
9. What is present land use or nature of activity? <input type="checkbox"/> Residential <input type="checkbox"/> Industrial <input type="checkbox"/> Commercial <input checked="" type="checkbox"/> Agriculture <input type="checkbox"/> Park/recreation area <input type="checkbox"/> Other			
10. Does project involve a permit/approval or zoning, code or ordinance, from any other governmental agency (Federal, State or local)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No    If Yes, list agency(ies) and permit/approval: <b>BUILDING PERMIT &amp; SPECIAL USE PERMIT</b>			
11. Does any aspect of the action have a currently held permit or approval? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No    If Yes, list agency name and permit/approval type			
12. An aspect of proposed action will require permit/approval/review/modification? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS TRUE TO THE BEST OF MY KNOWLEDGE			
Professional Seal		Date: <b>11/14/09</b>	
Signature:		Name: <b>MIKE DOWNEY</b>	

If the action is in the Coastal Area, and you are a state agency, complete the Coastal Assessment Form before proceeding with IHA assessment

OVER  
1

**PART II Environmental Assessment (To be completed by Agency)**

No adverse effect. (Type I threshold as in NRCS, Part 617.2) If you understand the review process and use the FLS, Part 617.2

Yes  No

**B. Will action result in cumulative impacts as provided for in the Act and in 617.2B, Part 617.2? If not a negative declaration may be prepared by the agency.**

Yes  No

**C. Could action result in any adverse effects, or an action from the following (inserts may be handwritten, if applicable):**

- (1) Air quality (level of air quality, nature or geographic scope or quantity, noise levels, air quality criteria, solid waste generation or disposal, material for use in the state or locally produced) Explain briefly.
- (2) Wetlands, riparian, archeological, historic or other natural or historic resources, or community or neighborhood character? Explain briefly.
- (3) Vegetation or fauna, movement of fish or wildlife species, significant habitat, or threatened or endangered species? Explain briefly.
- (4) A riparian area, wetland, stream, or reach as defined in 617.2B, Part 617.2, or a change in use or intensity of use of land or other natural resources? Explain briefly.
- (5) Cultural, historical, development, or related activities likely to be affected by the proposed action? Explain briefly.
- (6) Land use, agriculture, or other items not specified in C1-C5? Explain briefly.
- (7) A change in use of water resource or type of use? Explain briefly.

**PART III Determination of Significance (To be completed by Agency)**

**INSTRUCTIONS:** For each adverse effect identified above, determine whether it is substantial, large, important or otherwise significant. Each effect should be assessed in connection with its (a) setting (i.e. urban or rural); (b) probability of occurring; (c) duration; (d) irreversibility; (e) geographic scope, and (f) magnitude. If necessary, add attachments or reference supporting materials. Ensure that explanations contain sufficient detail to show that all relevant adverse impacts have been identified and adequately addressed.

- Check this box if you have identified one or more potentially large or significant adverse impacts which MAY occur. This action directly to the FULL EAF and/or prepare a positive declaration.
- Check this box if you have determined, based on the information and analysis above and any supporting documentation, that the proposed action WILL NOT result in any significant adverse environmental impacts AND provide here, and on attachments as necessary, the reasons supporting this determination.

Agency NAME Starkley planning board Agency Representative NAME George Lawson

Preparer's Signature [Signature] Date 02/19

2