

RESOLUTION OF THE CITY OF UTICA INDUSTRIAL DEVELOPMENT AGENCY TAKING OFFICIAL ACTION IN CONNECTION WITH A LEASE-LEASEBACK TRANSACTION FOR THE UTICA PROPERTY DEVELOPMENT LLC FACILITY, APPOINTING UTICA PROPERTY DEVELOPMENT LLC AND/OR AN ENTITY FORMED OR TO BE FORMED ON ITS BEHALF AS AGENT OF THE AGENCY FOR THE PURPOSE OF ACQUIRING, CONSTRUCTING AND EQUIPPING THE FACILITY, AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDUCEMENT AGREEMENT.

WHEREAS, Utica Property Development LLC, on behalf of itself and/or the principals of Utica Property Development LLC, and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "Company") has applied to the City of Utica Industrial Development Agency (the "Agency") to enter into a transaction in which the Agency will assist in the construction of three, three-story residence buildings containing 144 beds plus two residential directors units, a one-story community building and 183± parking spaces (collectively, the "Improvements") situated on a 6.3± acre parcel of land located on the Utica College (the "College") campus, 1600 Burrstone Road, City of Utica, Oneida County, New York (the "Land") and the acquisition and installation of machinery and equipment in the Improvements (the "Equipment"), all for the purpose of providing on-campus housing to meet the increased demands of the College (the Land, Improvements and Equipment collectively, the "Facility" and the construction and equipping of the Facility is referred to as the "Project"), including, without limitation, the following as they relate to the acquisition, construction and equipping of such Facility, whether or not any materials or supplies described below are incorporated into or become an integral part of such Facility: (i) all purchases, leases, rentals and other uses of tools, machinery and equipment in connection with the acquisition, construction and equipping, and (ii) purchases, rentals, uses or consumption of supplies, materials and services of every kind and description used in connection with the acquisition, construction and equipping and (iii) all purchases, leases, rentals and uses of equipment, machinery, and other tangible personal property (including installation costs with respect thereto), installed or placed in, upon or under such building; and

WHEREAS, the Company will convey to the Agency a leasehold interest in the Facility; and

WHEREAS, the Facility will be leased to the Company or such other person as may be designated by the Company and agreed upon by the Agency, pursuant to Article 18-A of the General Municipal Law of the State of New York and Chapter 710 of

the Laws of 1981 of the State of New York, as may be amended from time to time (collectively, the "Act"); and

WHEREAS, the Act authorizes and empowers the Agency to promote, develop, encourage and assist projects such as the Facility and to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York; and

WHEREAS, the Agency contemplates that it will provide financial assistance to the Company in the form of exemptions from mortgage recording taxes, exemptions from sales and use taxes on materials incorporated into the Facility and abatement of real property tax for a period of thirty years during which time the Company will make fixed PILOT Payments, which financial assistance is a deviation from the Agency's Uniform Tax Exemption Policy, to be more particularly described in a Final Authorizing Resolution to be adopted by the Agency prior to the closing of the transactions described herein; and

WHEREAS, prior to the closing of a lease-leaseback transaction, and the granting of any financial assistance, a public hearing (the "Hearing") will be held so that all persons with views in favor of or opposed to either the financial assistance contemplated by the Agency, or the location or nature of the Facility, can be heard; and

WHEREAS, notice of the Hearing will be given prior to the closing of a lease-leaseback transaction, and the granting of any tax benefits, and such notice (together with proof of publication) will be substantially in the form annexed hereto as **Exhibit A**; and

WHEREAS, the minutes of the Hearing are or will be annexed hereto as **Exhibit B**; and

WHEREAS, the Agency has given due consideration to the application of the Company and to representations by the Company that the proposed lease-leaseback transaction, is either an inducement to the Company to maintain and expand the Facility in the County or is necessary to maintain the competitive position of the Company in its industry.

NOW, THEREFORE, BE IT RESOLVED by the City of Utica Industrial Development Agency (a majority of the members thereof affirmatively concurring) that:

Section 1. (a) The acquisition, construction and equipping of the Facility and the financial assistance thereof by the Agency, through the lease of the Facility to the Company by the Agency pursuant to a lease-leaseback transaction, will promote job opportunities, health,

general prosperity and the economic welfare of the inhabitants of the City of Utica and the people of the State of New York and improve their standard of living, and thereby serve the public purposes of the Act and the same is, therefore, approved;

- (b) It is desirable and in the public interest for the Agency to enter into a lease-leaseback transaction, for the purpose of providing financial assistance for the acquisition, construction and equipping of the Facility, together with necessary incidental expenses in connection therewith as reflected in the Company's application to the Agency and as amended from time to time prior to the closing of the lease-leaseback transaction.

Section 2. The form and substance of a proposed inducement agreement (in substantially the form presented to this meeting) by and between the Agency and the Company setting forth the undertakings of the Agency and the Company with respect to the closing of the lease-leaseback transaction, and the development of the Facility (the "Agreement") are hereby approved. The Chairman of the Agency is hereby authorized, on behalf of the Agency, to execute and deliver the Agreement, with such changes in terms and form as the Chairman shall approve. The execution thereof by the Chairman shall constitute conclusive evidence of such approval.

Section 3. Subject to the conditions set forth in Section 4.02 of the Agreement, the Agency shall (i) acquire, construct and equip the Facility, (ii) lease (with an obligation to purchase) or sell the Facility to the Company pursuant to an agreement by and between the Agency and the Company whereby the Company will be obligated, among other things, to make payments to or for the account of the Agency.

Section 4. The Company is herewith and hereby appointed the agent of the Agency to acquire, construct, equip and complete the Facility. The Company is hereby empowered to delegate its status as agent of the Agency to agents, subagents, contractors, subcontractors, materialmen, suppliers, vendors and such other parties as the Company may choose in order to acquire, construct, equip and complete the Facility. The terms and conditions for the appointment of the Company as agent of the Agency for the purposes described in this resolution are set forth in the form of the attached letter addressed to the Company, marked as **Exhibit C** to this resolution. The form of such letter is incorporated herein by reference and is

approved and adopted by the Agency, and the Chairman or Executive Director of the Agency or any other duly authorized official of the Agency are authorized to execute and deliver such letter to the Company. The Agency hereby appoints the agents, subagents, contractors, subcontractors, materialmen, vendors and suppliers of the Company as agents of the Agency solely for purposes of making sales or leases of goods, services, and supplies to the Facility, and any such transaction between any agent, subagent, contractor, subcontractor, materialmen, vendor or supplier, and the Company, as agent of the Agency shall be deemed to be on behalf of the Agency and for the benefit of the Facility. The Company shall indemnify the Agency with respect to any transaction of any kind between and among the agents, subagents, contractors, subcontractors, materialmen, vendors and/or suppliers and the Company, as agent of the Agency.

Section 5. The law firm of Bond, Schoeneck & King, PLLC is appointed Transaction Counsel and Agency Counsel in connection with the lease-leaseback transaction.

Section 6. Counsel to the Agency and Transaction Counsel are hereby authorized to work with counsel to the Company and others to prepare, for submission to the Agency, all documents necessary to effect the lease-leaseback transaction.

Section 7. The Chairman of the Agency is hereby authorized and directed (i) to distribute copies of this resolution to the Company, and (ii) to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this resolution.

Section 8. This resolution shall take effect immediately.

STATE OF NEW YORK }
COUNTY OF ONEIDA } ss:

I, the undersigned Assistant Secretary of the City of Utica Industrial Development Agency DO HEREBY CERTIFY THAT:

I have compared the foregoing copy of a resolution of the City of Utica Industrial Development Agency (the "Agency"), with the original thereof on file in the office of the Agency, and that the same is a true and correct copy of such resolution and of the proceedings of the Agency in connection with such matter.

Such resolution was passed at a meeting of the Agency duly convened in public session on June 14, 2018 at 8:30 a.m. local time, at Utica, New York which the following members were:

Members Present: Vincent J. Gilroy, Jr.
John Buffa
John Zegarelli
Mark Curley

Staff Present: Jack Spaeth

Others Present: Mayor Robert Palmieri
Linda E. Romano, Esq.
Robert Calli
Bob Cardillo
John DeForest
Chuck Cronin
Pam Salmon
Debra Lambek, Esq.

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

Vincent J. Gilroy, Jr. voting aye;
John Buffa voting aye;
John Zegarelli voting aye; and
Mark Curley voting aye.

and, therefore, the resolution was declared duly adopted.

The Agreement and the Application are in substantially the form presented to and approved at such meeting.

I FURTHER CERTIFY that (i) all members of the Agency had due notice of said meeting, (ii) pursuant to Sections 103a and 104 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public and public notice of the time and place of said meeting was duly given in accordance with such Sections 103a and 104, (iii) the meeting in all respects was duly held, and (iv) there was a quorum present throughout.

IN WITNESS WHEREOF, I have hereunto set my hand this 28th day of September 2018.



Jack N. Spaeth, Assistant Secretary

EXHIBIT A
NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a public hearing pursuant to Article 18-A of the New York State General Municipal Law, will be held by the City of Utica Industrial Development Agency (the "Agency") on the ____ day of _____ 2018 at 8:45 a.m., local time, at Utica City Hall, Common Council Chambers, First Floor, One Kennedy Plaza, Utica, New York in connection with the following matters:

Utica Property Development LLC, on behalf of itself and/or the principals of Utica Property Development LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "Company") has applied to the Agency to enter into a transaction in which the Agency will assist in the construction of three, three-story residence buildings containing 144 beds plus two residential directors units, a one-story community building and 183± parking spaces (collectively, the "Improvements") situated on a 6.3± acre parcel of land located on the Utica College (the "College") campus, 1600 Burrstone Road, City of Utica, Oneida County, New York (the "Land") and the acquisition and installation of machinery and equipment in the Improvements (the "Equipment"), all for the purpose of providing on-campus housing to meet the increased demands of the College (the Land, Improvements and Equipment collectively, the "Facility"). The Facility will be initially leased, operated and/or managed by the Company.

The College owns the Land and will lease the Land to the Company. The Company will lease the Facility to the Agency, and the Agency will lease the Facility back to the Company. The Company will license or sublease the Facility to the College and the College will lease the Facility to students. At the end of the lease term, the Agency will terminate its leasehold interest in the Facility. The Agency contemplates that it will provide financial assistance to the Company in the form of exemptions from sales and use taxes, exemptions from mortgage recording taxes and abatement of real property taxes for a period of thirty years during which time the Company will pay the following annual fixed PILOT Payments: \$25,000 during years 1-5; \$27,000 during years 6-10; \$29,000 during years 11-15; \$31,000 during years 16-20; \$33,000 during years 21-25; \$35,000 during years 26-30 and 100% of taxes thereafter, which proposed financial assistance represents a deviation from the Agency's Uniform Tax Exemption Policy.

A representative of the Agency will at the above-stated time and place hear and accept written comments from all persons with views in favor of or opposed to either the proposed financial assistance to the Company or the location or nature of the Facility. A copy of the Application for Financial Assistance filed by the Company with the Agency, including an analysis of the costs and benefits of the proposed Facility, is available for public inspection at the offices of the Agency, One Kennedy Plaza, Utica, New York.

CITY OF UTICA INDUSTRIAL
DEVELOPMENT AGENCY

Dated: _____, 2018

By: /s/ Vincent J. Gilroy, Jr., Chairman

EXHIBIT B

MINUTES OF PUBLIC HEARING HELD ON _____, 2018

CITY OF UTICA INDUSTRIAL DEVELOPMENT AGENCY
LEASE-LEASEBACK TRANSACTION
(UTICA PROPERTY DEVELOPMENT LLC FACILITY)

1. Jack N. Spaeth, Executive Director of the City of Utica Industrial Development Agency (the "Agency"), called the hearing to order.
2. The Executive Director, also being the Assistant Secretary of the Agency, recorded the minutes of the hearing.
3. The Executive Director then described the proposed financial assistance and the location and nature of the Facility to be financed as follows:

Utica Property Development LLC, on behalf of itself and/or the principals of Utica Property Development LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "Company") has applied to the Agency to enter into a transaction in which the Agency will assist in the construction of three, three-story residence buildings containing 144 beds plus two residential directors units, a one-story community building and 183± parking spaces (collectively, the "Improvements") situated on a 6.3± acre parcel of land located on the Utica College (the "College") campus, 1600 Burrstone Road, City of Utica, Oneida County, New York (the "Land") and the acquisition and installation of machinery and equipment in the Improvements (the "Equipment"), all for the purpose of providing on-campus housing to meet the increased demands of the College (the Land, Improvements and Equipment collectively, the "Facility"). The Facility will be initially leased, operated and/or managed by the Company.

The College owns the Land and will lease the Land to the Company. The Company will lease the Facility to the Agency, and the Agency will lease the Facility back to the Company. The Company will license or sublease the Facility to the College and the College will lease the Facility to students. At the end of the lease term, the Agency will terminate its leasehold interest in the Facility. The Agency contemplates that it will provide financial assistance to the Company in the form of exemptions from sales and use taxes, exemptions from mortgage recording taxes and abatement of real property taxes for a period of thirty years during which time the Company will pay the following annual fixed PILOT Payments: \$25,000 during years 1-5; \$27,000 during years 6-10; \$29,000 during years 11-15; \$31,000 during years 16-20; \$33,000 during years 21-25;

\$35,000 during years 26-30 and 100% of taxes thereafter, which proposed financial assistance represents a deviation from the Agency's Uniform Tax Exemption Policy.

4. The Executive Director then opened up the hearing for comments from the floor for or against the proposed financial assistance and the location and nature of the Facility. The following is a listing of the persons heard and a summary of their views:

5. The Executive Director then asked if there were any further comments, and, there being none, the hearing was closed at _____ AM.

Jack N. Spaeth, Assistant Secretary

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

I, the undersigned Assistant Secretary of the City of Utica Industrial Development Agency, DO HEREBY CERTIFY:

That I have compared the foregoing copy of the minutes of a public hearing held by the City of Utica Industrial Development Agency (the "Agency") on _____, 2018 at _____, local time, at the Utica City Hall, Common Council Chambers, First Floor, One Kennedy Plaza, Utica, New York, with the original thereof on file in the office of the Agency, and that the same is a true and correct copy of the minutes in connection with such matter.

I FURTHER CERTIFY that (i) pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended, and Title 1 of Article 18-A of the New York General Municipal Law, said hearing was open to the general public, and public notice of the time and place of said hearing was duly given in accordance with such Section 147(f) and Title 1 of Article 18-A, (ii) the hearing in all respects was duly held, and (iii) members of the public had an opportunity to be heard.

IN WITNESS WHEREOF, I have hereunto set my hand as of _____, 2018.

Jack N. Spaeth, Assistant Secretary

EXHIBIT C

(To be copied on Agency letterhead and delivered to the Company when appropriate.)

_____, 2018

Robert R. Calli, Authorized Representative
Utica Property Development LLC
302 Washington Avenue Extension
Albany, New York 12203

RE: *City of Utica Industrial Development Agency Lease-Leaseback Transaction
(Utica Property Development LLC/Utica College Campus Residence Facility)*

Dear Mr. Calli:

Pursuant to a resolution duly adopted on June 14, 2018, the City of Utica Industrial Development Agency (the "Agency") appointed Utica Property Development LLC, on behalf of itself and/or the principals of Utica Property Development LLC, and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "Company") the true and lawful agent of the Agency to enter into a transaction in which the Agency will assist in the construction of three, three-story residence buildings containing 144 beds plus two residential directors units, a one-story community building and 183± parking spaces (collectively, the "Improvements") situated on a 6.3± acre parcel of land located on the Utica College (the "College") campus, 1600 Burrstone Road, City of Utica, Oneida County, New York (the "Land") and the acquisition and installation of machinery and equipment in the Improvements (the "Equipment"), all for the purpose of providing on-campus housing to meet the increased demands of the College (the Land, Improvements and Equipment collectively, the "Facility" and the construction and equipping of the Facility is referred to as the "Project").

It is the intent of the Agency that this agency appointment include, from the effective date of such appointment, authority to purchase, lease and otherwise use on behalf of the Agency all materials, equipment, goods, services and supplies to be incorporated into and made an integral part of the Facility and also include the following activities as they relate to the construction and equipping of the Facility, whether or not any materials, equipment or supplies described below are incorporated into or become an integral part of the Facility: (i) all purchases, leases, rentals and other uses of tools, machinery and equipment in connection with the construction and equipping of the Facility; (ii) all purchases, rentals, uses or consumption of supplies, materials and services of every kind and description used in connection with the construction and equipping of the Facility including all utility services and (iii) all purchases, leases,

rentals and uses of equipment, machinery, and other tangible personal property (including installation costs), installed or placed in, upon or under such building, including all repairs and replacements of such property.

The agency appointment includes the power to delegate such agency appointment, in whole or in part, to agents, subagents, contractors, subcontractors, materialmen, suppliers and vendors of the Company and to such other parties as the Company chooses so long as they are engaged, directly or indirectly, in the activities hereinbefore described.

In exercising this agency appointment, the Company, its agents, subagents, contractors and subcontractors, should give the supplier or vendor a copy of this letter to show that the Company, its agents, subagents, contractors and subcontractors are each acting as agent for the Agency. Construction contracts, purchase orders and other agreements relating to the project should be executed by the Company, or any sub-agent appointed by the Company, as agent of the Agency. Also, purchases must be billed or invoiced by the vendor to the Company, or any sub-agent appointed by the Company, as agent of the Agency (e.g. "Utica Property Development LLC as agent for the City of Utica Industrial Development Agency"). The supplier or vendor should identify the Facility as the "**Utica Property Development LLC Facility**" on each bill or invoice and indicate thereon that the Company, its agents, subagents, contractors and subcontractors acted as agent for the City of Utica Industrial Development Agency in making the purchase. You and each of your agents, subagents, contractors and/or subcontractors claiming a sales tax exemption in connection with the Facility must execute a copy of the Contract in Lieu of Exemption Certificate attached hereto, and must complete a New York State Department of Taxation and Finance Form ST-60. Original copies of each Contract in Lieu of Exemption Certificate and completed Form ST-60 must be delivered to the Agency within five (5) days of the appointment of each of your agents, subagents, contractors or subcontractors. Any agent, subagent, contractor or subcontractors of the Company which delivers completed Form ST-60 to the Agency will be deemed to be the agent, subagent, contractor or subcontractor of the Agency for purposes of acquiring, renovating and equipping the Facility. **Failure to comply with these requirements may result in loss of sales tax exemptions for the Facility.**

You should be aware that the New York State General Municipal Law requires you to file with the New York State Department of Taxation and Finance Form ST-340 (Annual Report of Sales and Use Tax Exemptions Claimed by Agent/Project Operator of Industrial Development Agency/Authority) regarding the value of sales tax exemptions you, your agents, consultants or subcontractors have claimed pursuant to the authority

we have conferred on you with respect to this Project. This statement must be filed on an annual basis for as long as the Company is claiming a sales tax exemption. **The penalty for failure to file such statement is the removal of your authority to act as an agent.**

The value of exemptions from sales and use taxes on materials and equipment currently authorized by the Agency is estimated at \$482,186.00 but shall not exceed \$530,404.00 in the aggregate. If the exemptions claimed by the Company exceed \$530,404.00 it may subject the Company to recapture of sales tax by New York State.

The aforesaid appointment of the Company as agent of the Agency to construct and equip the Facility shall **expire on June 14, 2019**. If, for some reason, this transaction never closes, you will be liable for payment of the sales tax, if applicable and you are not otherwise exempt, on all materials purchased.

Please sign and return a copy of this letter for our files.

Very truly yours,

CITY OF UTICA INDUSTRIAL DEVELOPMENT AGENCY

By: _____
Jack N. Spaeth, Executive Director

ACCEPTED and AGREED

UTICA PROPERTY DEVELOPMENT LLC

By: _____
Name:
Title:

TO: All Contractors, Subcontractors,
Suppliers and Vendors, etc. of
Utica Property Development LLC

Attached please find a "Contract in Lieu of Exemption Certificate" (the "Contract") which will serve as documentation for not charging Utica Property Development LLC (the "Company") sales or use tax in connection with any purchase, lease, rental or other use of materials, equipment, goods, services or supplies at the facility to be owned or leased by the City of Utica Industrial Development Agency (the "Agency") and described in Addendum A to the aforesaid Contract (the "Facility").

Also attached is a letter signed by the Agency appointing the Company as its agent for the purpose of constructing and equipping the Facility. This letter authorizes the Company to delegate its authority as agent of the Agency to its agents, subagents, contractors, subcontractors, materialmen, suppliers, vendors and such other parties as the Company authorizes.

In accordance with the authority granted to the Company by the Agency, you are hereby appointed as agent of the Agency for the purpose of making purchases or leases of materials, equipment, goods, services and supplies with respect to the Facility. **Your appointment as agent of the Agency is contingent upon your completing the attached Form ST-60 and returning it to us and the Form ST-60 then being filed by the Agency with the New York State Department of Taxation and Finance.**

Very truly yours,

Utica Property Development LLC

By: _____

Name:

Title:

cc: City of Utica Industrial Development Agency

CONTRACT IN LIEU OF EXEMPTION CERTIFICATE

This Contract is entered into by and between **UTICA PROPERTY DEVELOPMENT LLC** (the "Company"), as agent for and on behalf of the City of Utica Industrial Development Agency, a public benefit corporation and a governmental agency of the State of New York (the "Agency") in connection with the construction, equipping and completion of the facility described in Addendum A hereto (the "Facility") and the contractor or the subcontractor more particularly described on page 2 hereof (the "Contractor").

Pursuant to the authority granted to the Company, as agent of the Agency, the Contractor is hereby appointed agent of said Agency for purposes of completing, executing or otherwise carrying out the obligations imposed under this Contract.

The Contractor acknowledges that the Agency has acquired or will acquire title to or a leasehold interest in the Facility and the Agency is a public benefit corporation and governmental entity of the State of New York. By reason of such status, Agency and its agents acting on its behalf are exempt from payment of all New York State and local sales and use taxes on the purchase or lease of all materials, equipment, goods, services and supplies incorporated into and made an integral component part of any structure, building or real property which becomes the property of Agency, and all equipment, machinery and other tangible personal property (including installation costs with respect thereto) which becomes the property of Agency or in which the Agency has a leasehold interest. In addition, Agency and its agents acting on its behalf are exempt from all sales and use taxes arising out of or connected with the following, as they relate to performance under this Contract: (i) purchases, leases, rentals and other uses of tools, machinery and equipment, and (ii) purchases, leases, rentals, uses or consumption of supplies, goods, materials and services of every kind and description; provided, however, that exemption from sales and use tax with respect to clauses (i) and (ii) above shall apply only if the Contractor is then acting as agent for Agency under the terms of this Contract.

Pursuant to these exemptions from sales and use taxes, the Contractor shall not include such taxes in its contract price, bid, or reimbursable costs, as the case may be. If the Contractor does not comply with the requirements for sales and use tax exemptions, as described above, then it shall be responsible for and pay any and all applicable New York State sales and use taxes, and no portion thereof shall be charged or billed to the Agency or the Company directly or indirectly, the intent of this Contract being that neither Agency nor the Company shall be liable for any of the sales or use taxes described above. This Contract may be accepted by the Contractor in lieu of an exemption certificate, and the Contractor shall retain a copy hereof to substantiate the sales and use tax exemption.

The aforesaid appointment of the Company as agent of the Agency to construct and equip the Facility shall expire at the earlier of (a) the completion of such activities

and improvements, or (b) June 14, 2019, provided, however, such appointment may be extended at the discretion of the Agency, upon the written request of the Company if such activities and improvements are not completed by such time, and further provided that the Agency shall not unreasonably withhold its consent to the extension of such appointment.

Based upon representations made by the Company in its Application for Financial Assistance, the value of exemptions from sales and use taxes on materials and equipment currently authorized by the Agency is estimated at \$482,186.00 but shall not exceed \$530,404.00. If the exemptions claimed by the Company exceed \$530,404.00 it may subject the Company to recapture of sales tax by New York State.

The Agency shall have the right to assign this Contract to the Company by written notice to the Contractor and without written consent of the Contractor, in which case Agency shall be relieved of all obligations hereunder. In the event of such assignment, all applicable sales and use taxes shall be added to the purchase price and paid to the Contractor pursuant to a change order. All of the above provisions with respect to exemptions for New York State sales and use taxes shall apply to all subcontractors and other parties in privity of contract with the Company, Agency or the Contractor pursuant to the terms of this Contract.

OWNER:

Utica Property Development LLC

[Insert name of Contractor or
Subcontractor]

as agent for and on behalf of the City of
Utica Industrial Development Agency

By: _____
Name:
Title:

By: _____
Name:
Title:

DATE: _____

DATE: _____

Address of Contractor or
Subcontractor:

cc: City of Utica Industrial Development Agency

ADDENDUM A

DESCRIPTION OF THE FACILITY

The construction of three, three-story residence buildings containing 144 beds plus two residential directors units, a one-story community building and 183± parking spaces (collectively, the "Improvements") situated on a 6.3± acre parcel of land located on the Utica College (the "College") campus, 1600 Burrstone Road, City of Utica, Oneida County, New York (the "Land") and the acquisition and installation of machinery and equipment in the Improvements (the "Equipment"), all for the purpose of providing on-campus housing to meet the increased demands of the College.

SEQR Resolution
June 14, 2018
Utica Property Development LLC

RESOLUTION OF THE CITY OF UTICA INDUSTRIAL
DEVELOPMENT AGENCY ADOPTING A NEGATIVE
DECLARATION FOR THE PURPOSES OF SEQRA RELATING
TO THE UTICA PROPERTY DEVELOPMENT LLC FACILITY.

WHEREAS, Utica Property Development LLC, on behalf of itself and/or the principals of Utica Property Development LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "Company") has applied to the City of Utica Industrial Development Agency (the "Agency") to enter into a transaction in which the Agency will assist in the construction of three, three-story residence buildings containing 144 beds plus two residential directors units, a one-story community building and 183± parking spaces (collectively, the "Improvements") situated on a 6.3± acre parcel of land located on the Utica College (the "College") campus, 1600 Burrstone Road, City of Utica, Oneida County, New York (the "Land") and the acquisition and installation of machinery and equipment in the Improvements (the "Equipment"), all for the purpose of providing on-campus housing to meet the increased demands of the College (the Land, Improvements and Equipment collectively, the "Facility" and the construction and equipping of the Facility is referred to as the "Project"), and to enter into a sale-leaseback transaction in connection with the Facility; and.

WHEREAS, the Agency by resolutions duly adopted on June 14, 2018 (collectively, the "Resolution") decided to proceed under the provisions of the Act to lease the Facility and directed that a public hearing be held so that all persons with views in favor of or opposed to either the financial assistance contemplated by the Agency, or the location or nature of the Facility, could be heard; 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 adopted pursuant thereto by the Department of Environmental Conservation of the State of New York, being 6 NYCRR Part 617, as amended (the "Regulations"), the Agency constitutes a "State Agency" and desires to determine whether the acquisition, construction and equipping of the Facility may have a "significant effect on the environment" (as said quoted term is defined in the SEQR Act and the Regulations); and

WHEREAS, to aid the Agency in determining whether the acquisition, construction and equipping of the Facility may have a significant effect upon the environment, the Company prepared and submitted to the Agency an environmental assessment form (the "EAF"), a copy of which was presented to and reviewed by the Agency at this meeting and copies of which are on file at the office of the Agency; and

WHEREAS, the City of Utica Zoning Board of Appeals (the "Lead Agency"), based upon the EAF and other representations and information furnished by the Company regarding the Facility, determined on February 15, 2018, that the action relating to the construction, renovation, equipping and operation of the Facility is a Type 1 action, as that term is defined in the SEQRA Act; and

WHEREAS, the Lead Agency also determined that such Type 1 action would not have a "significant effect" on the environment and, therefore, an environmental impact statement was not required to be prepared; and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF UTICA INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. Based on an examination of the Application and the EAF, based upon the findings and determinations adopted by the Lead Agency, and based further upon the Agency's knowledge of the area surrounding the Facility and such further investigation of the Facility and its environmental effects as the Agency has deemed appropriate, the Agency makes the following findings and determinations with respect to the Facility:

(A) The Facility is described in the Application, the EAF and the Lead Agency resolution and the supporting documentation attached thereto;

(B) The Facility constitutes a "Type I Action" (as defined in the Regulations);

(C) No potentially significant impacts on the environment are noted in either the EAF for the Facility, and none are known to the Agency;

(D) The Facility will not result in (i) substantial adverse change in existing air quality; ground or surface water quality or quantity, traffic or noise levels; a substantial increase in solid waste production; or a substantial increase in potential for erosion, flooding, leaching or drainage problems; (ii) the removal or destruction of large quantities of vegetation or fauna; substantial interference with the movement of a resident or migratory fish or wildlife species; impacts on a significant habitat area; substantial adverse impacts on threatened or endangered species of animal or plant, or the habitat of such species; or (iii) other significant adverse impacts to natural resources;

(E) The Facility will not affect a critical environmental area as designated pursuant to 6 NYCRR 617.14(g);

(F) The Facility will not conflict with the community's current plans or goals as officially approved or adopted;

(G) The Facility will not result in the impairment of the character or quality of important historical, archeological, architectural, or aesthetic resources or of existing community or neighborhood character;

(H) The Facility will not result in a major change in the use of either the quantity or type of energy;

(I) The Facility will not result in the creation of a hazard to human health;

(J) The Facility will not result in a substantial change in the use, or intensity of use, of land including architectural, open space or recreational resources, or in its capacity to support existing uses;

(K) The Facility will not result in encouraging or attracting of a large number of people to a place or places for more than a few days, compared to the number of people who would come to such place absent the action;

(L) The Facility will not result in the creation of a material demand for other actions that would result in one or more of the above consequences;

(M) The Facility will not result in changes in two or more elements of the environment, no one of which has a significant impact on the environment, but when considered together result in a substantial adverse impact on the environment; and

(N) The Facility will not result in two or more related actions undertaken, funded or approved by an agency, none of which has or would have a significant impact on the environment, but when considered cumulatively would meet one or more of the criteria in 6 NYCRR Section 617.7(c).

Section 2. The Agency hereby determines that the Facility will not have a significant impact on the environment and the Agency will not require the preparation of an environmental impact statement with respect to the Facility. This determination constitutes a negative declaration for purposes of SEQRA. Notice of this determination shall be filed to the extent required by the applicable regulations under SEQRA or as may be deemed advisable by the Chairman of the Agency or counsel to the Agency.

Section 3. This resolution shall take effect immediately.

STATE OF NEW YORK)
 : ss.:
COUNTY OF ONEIDA)

I, the undersigned Assistant Secretary of the City of Utica Industrial Development Agency DO HEREBY CERTIFY THAT:

I have compared the foregoing copy of a resolution of the City of Utica Industrial Development Agency (the "Agency"), with the original thereof on file in the office of the Agency, and that the same is a true and correct copy of such resolution and of the proceedings of the Agency in connection with such matter.

Such resolution was passed at a meeting of the Agency duly convened in public session on June 14, 2018 at 8:30 p.m. at One Kennedy Plaza, Utica, New York, at which the following members were:

Members Present: Vincent J. Gilroy, Jr.
 John Buffa
 John Zegarelli
 Mark Curley

Staff Present: Jack Spaeth

Others Present: Mayor Robert Palmieri
 Linda E. Romano, Esq.
 Robert Calli
 Bob Cardillo
 John DeForest
 Chuck Cronin
 Pam Salmon
 Debra Lambek, Esq.

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

Vincent J. Gilroy, Jr. voting aye;
John Buffa voting aye;
John Zegarelli voting aye; and
Mark Curley voting aye.

and, therefore, the resolution was declared duly adopted.

I FURTHER CERTIFY that (i) all members of the Agency had due notice of said meeting, (ii) pursuant to Sections 103a and 104 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public and public notice of the time and place of said meeting was duly given in accordance with such Sections 103a and 104, (iii) the meeting in all respects was duly held, and (iv) there was a quorum present throughout.

IN WITNESS WHEREOF, I have hereunto set my hand this 28th day of September 2018.



Jack N. Spaeth, Assistant Secretary

MINUTES OF PUBLIC HEARING HELD ON JULY 17, 2018

CITY OF UTICA INDUSTRIAL DEVELOPMENT AGENCY
LEASE-LEASEBACK TRANSACTION
(UTICA PROPERTY DEVELOPMENT LLC FACILITY)

1. Jack N. Spaeth, Executive Director of the City of Utica Industrial Development Agency (the "Agency"), called the hearing to order.
2. The Executive Director, also being the Assistant Secretary of the Agency, recorded the minutes of the hearing.
3. The Executive Director then described the proposed financial assistance and the location and nature of the Facility to be financed as follows:

Utica Property Development LLC, on behalf of itself and/or the principals of Utica Property Development LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "Company") has applied to the Agency to enter into a transaction in which the Agency will assist in the construction of three, three-story residence buildings containing 144 beds plus two residential directors units, a one-story community building and 183± parking spaces (collectively, the "Improvements") situated on a 6.3± acre parcel of land located on the Utica College (the "College") campus, 1600 Burrstone Road, City of Utica, Oneida County, New York (the "Land") and the acquisition and installation of machinery and equipment in the Improvements (the "Equipment"), all for the purpose of providing on-campus housing to meet the increased demands of the College (the Land, Improvements and Equipment collectively, the "Facility"). The Facility will be initially leased, operated and/or managed by the Company.

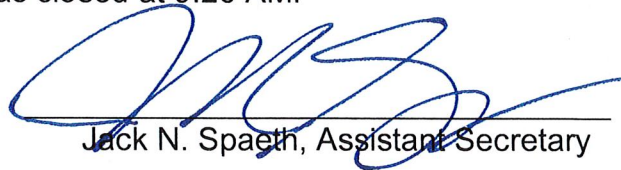
The College owns the Land and will lease the Land to the Company. The Company will lease the Facility to the Agency, and the Agency will lease the Facility back to the Company. The Company will license or sublease the Facility to the College and the College will lease the Facility to students. At the end of the lease term, the Agency will terminate its leasehold interest in the Facility. The Agency contemplates that it will provide financial assistance to the Company in the form of exemptions from sales and use taxes, exemptions from mortgage recording taxes and abatement of real property taxes for a period of thirty years during which time the Company will pay the following annual fixed PILOT Payments: \$25,000 during years 1-5; \$27,000 during years 6-10; \$29,000 during years 11-15; \$31,000 during years 16-20; \$33,000 during years 21-25; \$35,000 during years 26-30 and 100% of taxes thereafter, which proposed

financial assistance represents a deviation from the Agency's Uniform Tax Exemption Policy.

4. The Executive Director then opened up the hearing for comments from the floor for or against the proposed financial assistance and the location and nature of the Facility. The following is a listing of the persons heard and a summary of their views:

Bob Calli appeared on behalf of the Company. No comments were made.

5. The Executive Director then asked if there were any further comments, and, there being none, the hearing was closed at 9:20 AM.



Jack N. Spaeth, Assistant Secretary

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

I, the undersigned Assistant Secretary of the City of Utica Industrial Development Agency, DO HEREBY CERTIFY:

That I have compared the foregoing copy of the minutes of a public hearing held by the City of Utica Industrial Development Agency (the "Agency") on July 17, 2018 at 9:00 a.m. local time, at the Utica City Hall, Common Council Chambers, First Floor, One Kennedy Plaza, Utica, New York, with the original thereof on file in the office of the Agency, and that the same is a true and correct copy of the minutes in connection with such matter.

I FURTHER CERTIFY that (i) pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended, and Title 1 of Article 18-A of the New York General Municipal Law, said hearing was open to the general public, and public notice of the time and place of said hearing was duly given in accordance with such Section 147(f) and Title 1 of Article 18-A, (ii) the hearing in all respects was duly held, and (iii) members of the public had an opportunity to be heard.

IN WITNESS WHEREOF, I have hereunto set my hand as of September 28, 2018.



Jack N. Spaeth, Assistant Secretary



CITY OF UTICA

Utica Industrial Development Agency
1 Kennedy Plaza, Utica, New York 13502
(315)792-0195 fax: (315)797-6607

ROBERT PALMIERI
MAYOR

VINCENT J. GILROY, JR.
CHAIRMAN

JACK SPAETH
EXECUTIVE DIRECTOR

June 29, 2018

Anthony J. Picente, Jr.
Oneida County Executive
800 Park Avenue
Utica NY 13501

Re: *Utica Property Development LLC*

Dear Mr. Picente:

On July 17, 2018 at 9:00AM, local time, at Utica City Hall, Common Council Chambers, First Floor, One Kennedy Plaza, Utica, New York 13502, the City of Utica Industrial Development Agency (the "Agency") will conduct a public hearing regarding a proposed project for Utica Property Development LLC. Attached is a copy of the Notice of Public Hearing describing the project and the financial assistance contemplated by the Agency. The Notice has been submitted to *Observer-Dispatch* for publication.

You are welcome to attend such hearing at which time you will have an opportunity, both orally and in writing, to present your views with respect to the project. We are providing this notice to you, pursuant to Chapters 356 and 357 of the Laws of 1993, as the chief executive officer of an affected tax jurisdiction within which the project is located.

Should you desire to discuss this matter or if you have any questions concerning this notice please feel free to contact Jack Spaeth at the Agency at telephone number 315-792-0195.

Very truly yours,

CITY OF UTICA INDUSTRIAL DEVELOPMENT AGENCY

By: _____

Jack N. Spaeth, Executive Director



CITY OF UTICA

Utica Industrial Development Agency
1 Kennedy Plaza, Utica, New York 13502
(315)792-0195 fax: (315)797-6607

ROBERT PALMIERI
MAYOR

VINCENT J. GILROY, JR.
CHAIRMAN

JACK SPAETH
EXECUTIVE DIRECTOR

June 29, 2018

Robert Palmieri, Mayor
City of Utica
One Kennedy Plaza
Utica NY 13502

Re: *Utica Property Development LLC*

Dear Mayor Palmieri:

On July 17, 2018 at 9:00AM, local time, at Utica City Hall, Common Council Chambers, First Floor, One Kennedy Plaza, Utica, New York 13502, the City of Utica Industrial Development Agency (the "Agency") will conduct a public hearing regarding a proposed project for Utica Property Development LLC. Attached is a copy of the Notice of Public Hearing describing the project and the financial assistance contemplated by the Agency. The Notice has been submitted to *Observer-Dispatch* for publication.

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Very truly yours,

CITY OF UTICA INDUSTRIAL DEVELOPMENT AGENCY

By: _____

Jack N. Spaeth, Executive Director

c: Michelle George, City Clerk



CITY OF UTICA

Utica Industrial Development Agency
1 Kennedy Plaza, Utica, New York 13502
(315)792-0195 fax: (315)797-6607

ROBERT PALMIERI
MAYOR

VINCENT J. GILROY, JR.
CHAIRMAN

JACK SPAETH
EXECUTIVE DIRECTOR

June 29, 2018

Christopher Salatino, President
Board of Education
Utica City School District
106 Memorial Parkway
Utica, New York 13501

Re: *Utica Property Development LLC*

Dear Mr. Salatino:

On July 17, 2018 at 9:00AM, local time, at Utica City Hall, Common Council Chambers, First Floor, One Kennedy Plaza, Utica, New York 13502, the City of Utica Industrial Development Agency (the "Agency") will conduct a public hearing regarding a proposed project for Utica Property Development LLC. Attached is a copy of the Notice of Public Hearing describing the project and the financial assistance contemplated by the Agency. The Notice has been submitted to *Observer-Dispatch* for publication.

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Should you desire to discuss this matter or if you have any questions concerning this notice please feel free to contact Jack Spaeth at the Agency at telephone number 315-792-0195.

Very truly yours,

CITY OF UTICA INDUSTRIAL DEVELOPMENT AGENCY

By: 
Jack N. Spaeth, Executive Director



CITY OF UTICA

Utica Industrial Development Agency
1 Kennedy Plaza, Utica, New York 13502
(315)792-0195 fax: (315)797-6607

ROBERT PALMIERI
MAYOR

VINCENT J. GILROY, JR.
CHAIRMAN

JACK SPAETH
EXECUTIVE DIRECTOR

June 29, 2018

Bruce Karam, Superintendent
Utica City School District
106 Memorial Parkway
Utica, New York 13501

Re: *Utica Property Development LLC*

Dear Mr. Karam:

On July 17, 2018 at 9:00AM, local time, at Utica City Hall, Common Council Chambers, First Floor, One Kennedy Plaza, Utica, New York 13502, the City of Utica Industrial Development Agency (the "Agency") will conduct a public hearing regarding a proposed project for Utica Property Development LLC. Attached is a copy of the Notice of Public Hearing describing the project and the financial assistance contemplated by the Agency. The Notice has been submitted to *Observer-Dispatch* for publication.

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Should you desire to discuss this matter or if you have any questions concerning this notice please feel free to contact Jack Spaeth at the Agency at telephone number 315-792-0195.

Very truly yours,

CITY OF UTICA INDUSTRIAL DEVELOPMENT AGENCY

By: 
Jack N. Spaeth, Executive Director