

**Inducement Resolution  
MacSpace LLC Facility**

RESOLUTION OF THE CITY OF UTICA INDUSTRIAL DEVELOPMENT AGENCY TAKING OFFICIAL ACTION TOWARD APPOINTING MACSPACE LLC, THE PRINCIPALS OF MACSPACE LLC, AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF ANY OF THE FOREGOING AS AGENT OF THE AGENCY IN CONNECTION WITH A SALE-LEASEBACK OR LEASE-LEASEBACK TRANSACTION, AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDUCEMENT AGREEMENT, AUTHORIZING A PUBLIC HEARING AND MAKING CERTAIN FINDINGS AND DETERMINATIONS WITH RESPECT TO THE PROJECT.

WHEREAS, MacSpace LLC, on behalf of itself and/or the principals of MacSpace 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 acquisition and renovation of a two-story, 17,000± square foot commercial bank building and the adjacent 37-space parking lot to convert the same to a professional office space consisting of thirty-five (35) offices, conference rooms and related work areas (collectively, the "Improvements"), all such Improvements situated on a 1.0± acre parcel of land located at 264 – 266 Genesee Street, City of Utica, Oneida County, New York (the "Land") and the acquisition and installation of equipment in the Improvements (the "Equipment") (the Land, the Improvements and the Equipment are referred to collectively as the "Facility" and the acquisition, renovation and equipping of the Facility is referred to collectively as the "Project"), all for the purpose of redeveloping the Improvements for lease to Quanterion Solutions Incorporated (the "Sublessee") and enhancing economic development in downtown Utica; and

WHEREAS, the Company owns or will own the Land and will convey to the Agency a leasehold interest in the Facility; and

WHEREAS, the Facility will be leased back to the Company pursuant to a Leaseback Agreement between the Agency and the Company (the "Leaseback Agreement") and pursuant to Article 18-A of the General Municipal Law of the State of

New York and Chapter 372 of the Laws of 1970 of the State of New York, as may be amended from time to time (collectively, the "Act"); and

WHEREAS, the Company will further sublease the Facility to the Sublessee for its operation; 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 sales tax and abatement of real property tax for a period of ten (10) years, consistent with the Agency's Uniform Tax Exemption Policy (collectively, the "Financial Assistance"), 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 sale-leaseback or 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 sale-leaseback or lease-leaseback transaction, and the granting of any Financial Assistance, 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 sale-leaseback transaction or lease-leaseback transaction, is either an inducement to the Company to maintain and expand the Facility in the City of Utica or is necessary to maintain the competitive position of the Company in its industry; and

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, renovation and equipping of the Facility and the Agency's Financial Assistance therefor, 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 sale-leaseback transaction or lease-leaseback transaction, for the purpose of providing Financial Assistance for the acquisition, renovation and equipping of the Facility, as reflected in the Company's application to the Agency and as amended from time to time prior to the closing of the sale-leaseback or 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 sale-leaseback or 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 assist the Company in the acquisition, renovation and equipping of the Facility and will provide the Financial Assistance with respect thereto.

Section 4. The Company is herewith and hereby appointed the agent of Agency to acquire, renovate and equip 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, renovate and equip 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 in connection with the sale-leaseback transaction or 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 sale-leaseback transaction or 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     )  
                                      : 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 September 6, 2016 at 8:30 a.m., local time, at Utica, New York which the following members were:

**Members Present:** Joseph Hobika, Sr.  
Vin Gilroy  
John Buffa  
Emmett Martin

**Also Present:** Jack Spaeth (Executive Director)  
Linda Romano (BS&K – Agency Counsel)  
Marissa Wisheart (Hobika Law Firm)  
Preston and Dorlene MacDairmid (MacSpace)  
Anthony Ceroy (Lofts at Globe Mills)  
Robert Olivieri  
Curtis Cole (Northeast Regional Council of Carpenters)  
Bob Wilmont (Northeast Regional Council of Carpenters)

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

Joseph Hobika voting aye;  
John Buffa voting aye;  
Emmett Martin voting aye; and  
Vincent Gilroy, Jr. 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 26th day of July 2017.



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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 November, 2016 at 8:00 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:

MacSpace LLC, on behalf of itself and/or the principals of MacSpace 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 acquisition and renovation of a two-story, 17,000± square foot commercial bank building and the adjacent 37-space parking lot to convert the same to a professional office space consisting of thirty-five (35) offices, conference rooms and related work areas (collectively, the "Improvements"), all such Improvements situated on a 1.0± acre parcel of land located at 264 – 266 Genesee Street, City of Utica, Oneida County, New York (the "Land") and the acquisition and installation of equipment in the Improvements (the "Equipment") (the Land, the Improvements and the Equipment are referred to collectively as the "Facility" and the acquisition, renovation and equipping of the Facility is referred to collectively as the "Project"), all for the purpose of redeveloping the Improvements for lease to Quanterion Solutions Incorporated (the "Sublessee") and enhancing economic development in downtown Utica. The Facility will be initially operated and/or managed by the Company.

The Company will own the Land and will lease the Facility to the Agency for a term of approximately ten (10) years (the "Lease Term"). The Agency will lease the Facility back to the Company for the Lease Term, and the Company will further sublease the Facility to the Sublessee for its operation. 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 tax during the construction period and abatement of real property tax for a period of ten (10) years, which financial assistance is consistent with 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.

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 Project, is available for public inspection at the offices of the Agency, One Kennedy Plaza, Utica, New York.

CITY OF UTICA INDUSTRIAL  
DEVELOPMENT AGENCY

Dated: October \_\_, 2016

By: /s/ Joseph H. Hobika, Sr., Chairman

EXHIBIT B

MINUTES OF PUBLIC HEARING

City of Utica Industrial Development Agency  
2016 Real Estate Lease  
MacSpace LLC Facility

1. \_\_\_\_\_, \_\_\_\_\_ of the City of Utica Industrial Development Agency (the "Agency"), called the hearing to order.
2. The \_\_\_\_\_ then appointed \_\_\_\_\_, Secretary of the Issuer, to record the minutes of the hearing.
3. The \_\_\_\_\_ then described the proposed project and related financial assistance as follows:

MacSpace LLC, on behalf of itself and/or the principals of MacSpace 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 acquisition and renovation of a two-story, 17,000± square foot commercial bank building and the adjacent 37-space parking lot to convert the same to a professional office space consisting of thirty-five (35) offices, conference rooms and related work areas (collectively, the "Improvements"), all such Improvements situated on a 1.0± acre parcel of land located at 264 – 266 Genesee Street, City of Utica, Oneida County, New York (the "Land") and the acquisition and installation of equipment in the Improvements (the "Equipment") (the Land, the Improvements and the Equipment are referred to collectively as the "Facility" and the acquisition, renovation and equipping of the Facility is referred to collectively as the "Project"), all for the purpose of redeveloping the Improvements for lease to Quanterion Solutions Incorporated (the "Sublessee") and enhancing economic development in downtown Utica. The Facility will be initially operated and/or managed by the Company.

The Company will own the Land and will lease the Facility to the Agency for a term of approximately ten (10) years (the "Lease Term"). The Agency will lease the Facility back to the Company for the Lease Term, and the Company will further sublease the Facility to the Sublessee for its operation. 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 tax during the construction period and abatement of real property tax for a period of ten (10) years, which financial assistance is consistent with 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.

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 Project, is available for public inspection at the offices of the Agency, One Kennedy Plaza, Utica, New York.

4. The \_\_\_\_\_ 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. Attached is a listing of the persons heard and a summary of their views.
5. The \_\_\_\_\_ then asked if there were any further comments, and, there being none, the hearing was closed at \_\_\_\_ a.m.

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(Assistant) Secretary

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

I, the undersigned 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 "Issuer") on \_\_\_\_\_, 2016 at \_\_\_\_\_ a.m. local time, at \_\_\_\_\_, \_\_\_\_\_, New York \_\_\_\_\_ with the original thereof on file in the office of the Issuer, 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 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 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 \_\_\_\_\_, 2016.

\_\_\_\_\_  
Secretary

EXHIBIT C

(To be copied onto IDA letterhead and delivered  
to the Company, when appropriate.)

\_\_\_\_\_, 2016

Preston MacDiarmid, President  
MacSpace LLC  
131 Paris Road  
New Hartford NY 13413

RE: *City of Utica Industrial Development Agency  
2016 Lease-Leaseback Transaction (MacSpace LLC Facility)*

Dear Mr. MacDiarmid:

Pursuant to a resolution duly adopted on September 6, 2016, the City of Utica Industrial Development Agency (the "Issuer") appointed MacSpace LLC, on behalf of itself and/or the principals of MacSpace 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 Issuer to enter into a transaction in which the Issuer will assist in acquisition and renovation of a two-story, 17,000± square foot commercial bank building and the adjacent 37-space parking lot to convert the same to a professional office space consisting of thirty-five (35) offices, conference rooms and related work areas (collectively, the "Improvements"), all such Improvements situated on a 1.0± acre parcel of land located at 264 – 266 Genesee Street, City of Utica, Oneida County, New York (the "Land") and the acquisition and installation of equipment in the Improvements (the "Equipment") (the Land, the Improvements and the Equipment are referred to collectively as the "Facility" and the acquisition, renovation and equipping of the Facility is referred to collectively as the "Project"), all for the purpose of redeveloping the Improvements for lease to Quanterion Solutions Incorporated (the "Sublessee") and enhancing economic development in downtown Utica.

It is the intent of the Issuer that this agency appointment include, from the effective date of such appointment, authority to purchase, lease and otherwise use on behalf of the Issuer 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 renovation 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 renovation 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 renovation 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, you and each of your properly appointed agents and subagents must claim the sales tax exemption for all purchases by giving your vendors New York State Form ST-123. 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 Issuer. 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 Issuer (e.g. "MacSpace LLC as agent for the City of Utica Industrial Development Agency"). The supplier or vendor should identify the Facility as the "**MacSpace 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 also 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 renovating and equipping the Facility, and shall only then be authorized to use Form ST-123 as described above. **Failure to comply with these requirements may result in loss of sales tax exemptions for the Facility.**

It is important to note that contractors and subcontractors who have not been appointed subagent cannot use the sales tax exemption for equipment rental, tools, supplies and other items that do not become part of the finished project. Contractors and subcontractors must be appointed as agent or sub-agent of the Agency to use the Agency sales tax exemption for these purchases. Contractors and subcontractors who have not been appointed a subagent must claim the sales tax exemption for construction materials by giving their vendors a completed "Contractor Exempt Purchase Certificate" (Form ST-120.1) checking box (a).

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 authorized by the Agency shall not exceed \$13,475.00 in the aggregate. If the exemptions claimed by the Company on Form ST-340 exceed \$13,475.00, the amount currently authorized by the Agency, the Agency may be required by law to recapture on behalf of New York State any sales tax claimed that exceeds this amount.

The aforesaid appointment of the Company as agent of the Issuer to renovate and equip the Facility shall expire on \_\_\_\_\_, 2017. 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.

Preston MacDiarmid  
\_\_\_\_\_, 2016  
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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**

**MACSPACE LLC**

By: \_\_\_\_\_  
Name:  
Title:

STATE OF NEW YORK)  
  )ss  
  County of Oneida)

\_\_\_\_\_  
Patricia Zehr \_\_\_\_\_ of the City of Utica, in said

county, being duly sworn, says she is the Principal Clerk of the Utica Observer-Dispatch the Publishers of (Observer-Dispatch), a daily newspaper printed and published in the city of Utica, County and State aforesaid, and that an advertisement of which the attached is a copy, cut from the columns of said paper has been regularly published in said paper on each of the following dates:

\_\_\_\_\_  
10/20/2016  
\_\_\_\_\_

\_\_\_\_\_  
*Patricia Zehr*  
\_\_\_\_\_

Sworn to before me this

21<sup>st</sup> day of October 2016

*Theresa B. McFadden*

NOTARY PUBLIC ONEIDA CO., N.Y.

\_\_\_\_\_  
THERESA B MCFADDEN  
NOTARY PUBLIC-STATE OF NEW YORK  
No. 01MC6303520  
Qualified in Madison County  
My Commission Expires May 12, 2018

**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 1st day of November, 2016 at 8:00 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:

MacSpace LLC, on behalf of itself and/or the principals of MacSpace 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 acquisition and renovation of a two-story, 17,000± square foot commercial bank building and the adjacent 37-space parking lot to convert the same to a professional office space consisting of thirty-five (35) offices, conference rooms and related work area (collectively, the "Improvements"), all such Improvements situated on a 1.0± acre parcel of land located at 264 - 266 Genesee Street, City of Utica, Oneida County, New York (the "Land") and the acquisition and installation of equipment in the Improvements (the "Equipment") (the Land, the Improvements and the Equipment are referred to collectively as the "Facility" and the acquisition, renovation and equipping of the Facility is referred to collectively as the "Project") all for the purpose of redeveloping the Improvements for lease to Quanteric Solutions Incorporated (the "Sublessee") and enhancing economic development in downtown Utica. The Facility will be initially operated and/or managed by the Company.

The Company will own the Land and will lease the Facility to the Agency for term of approximately ten (10) years (the "Lease Term"). The Agency will lease the Facility back to the Company for the Lease Term, and the Company will further sublease the Facility to the Sublessee for its operation. 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 tax during the construction period and abatement of real property tax for a period of ten (10) years, which financial assistance is consistent with the Agency's Uniform Final Exemption Policy, to be more particularly described in Final Authorizing Resolution to be adopted by the Agency prior to the closing of the transactions described herein.

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 Project, is available for public inspection at the offices of the Agency, One Kennedy Plaza, Utica, New York.

CITY OF UTICA  
INDUSTRIAL  
DEVELOPMENT AGENCY  
By: /s/ Joseph H. Hobika, Sr.  
Chairman  
Dated: October 18, 2016  
OD: 10/20/2016

## MINUTES OF PUBLIC HEARING

### City of Utica Industrial Development Agency 2017 Real Estate Lease MacSpace LLC Facility

1. Jack 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 Issuer, recorded the minutes of the hearing.
3. The Executive Director then described the proposed project and related financial assistance as follows:

MacSpace LLC, on behalf of itself and/or the principals of MacSpace 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 acquisition and renovation of a two-story, 17,000± square foot commercial bank building and the adjacent 37-space parking lot to convert the same to a professional office space consisting of thirty-five (35) offices, conference rooms and related work areas (collectively, the "Improvements"), all such Improvements situated on a 1.0± acre parcel of land located at 264 – 266 Genesee Street, City of Utica, Oneida County, New York (the "Land") and the acquisition and installation of equipment in the Improvements (the "Equipment") (the Land, the Improvements and the Equipment are referred to collectively as the "Facility" and the acquisition, renovation and equipping of the Facility is referred to collectively as the "Project"), all for the purpose of redeveloping the Improvements for lease to Quanterion Solutions Incorporated (the "Sublessee") and enhancing economic development in downtown Utica. The Facility will be initially operated and/or managed by the Company.

The Company will own the Land and will lease the Facility to the Agency for a term of approximately ten (10) years (the "Lease Term"). The Agency will lease the Facility back to the Company for the Lease Term, and the Company will further sublease the Facility to the Sublessee for its operation. 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 tax during the construction period and abatement of real property tax for a period of ten (10) years, which financial assistance is consistent with 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.

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 Project, is available for public inspection at the offices of the Agency, One Kennedy Plaza, Utica, New York.

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. Below is a listing of the persons heard and a summary of their views.

**Preston and Dorlene MacDiarmid were in attendance with no comments.**

5. The Executive Director then asked if there were any further comments, and, there being none, the hearing was closed at 8:30 a.m.



(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 "Issuer") on the 1st day of November, 2016 at 8:00 a.m., local time, at 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 Issuer, 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 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 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 July 26, 2017.

  
Assistant Secretary

Re: CITY OF UTICA INDUSTRIAL DEVELOPMENT AGENCY

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

Jack N. Spaeth, being duly sworn, deposes and says:

On October 18, 2016 he deposited in a post office box regularly maintained by the United States Government in the City of Utica, New York, a copy of a notice relating to a public hearing to be conducted by the City of Utica Industrial Development Agency in connection with the **MacSpace, LLC**, said hearing to be held on November 1, 2016 at 8:00AM, local time, at Utica City Hall, Common Council Chambers, First Floor, One Kennedy Plaza, City of Utica, Oneida County, New York 13502, copy of said Notice is attached hereto and made a part hereof, to the following parties at their respective addresses set forth below:

Anthony J. Picente, Jr.  
Oneida County Executive  
Oneida County Office Building  
800 Park Avenue  
Utica, New York 13501


Robert M. Palmieri  
Mayor, City of Utica  
One Kennedy Plaza  
Utica, New York 13502

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

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

  
\_\_\_\_\_  
Jack N. Spaeth

Sworn to before me this 18<sup>th</sup>  
day of October 2016

  
\_\_\_\_\_  
Notary Public  
Comm. Exp 1/25/20  
Reg # 01BU6336089



ROBERT PALMIERI  
MAYOR

# CITY OF UTICA

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

JOSEPH HOBIKA, SR  
CHAIRMAN

JACK SPAETH  
EXECUTIVE DIRECTOR

October 18, 2016

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

Re: *MacSpace LLC/Quanterion Solutions Incorporated*

Dear Mr. Picente:

On November 1, 2016 at 8:00AM, 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 MacSpace 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 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

JOSEPH HOBIKA, SR  
CHAIRMAN

JACK SPAETH  
EXECUTIVE DIRECTOR

October 18, 2016

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

Re: *MacSpace LLC/Quanterion Solutions Incorporated*

Dear Mayor Palmieri:

On November 1, 2016 at 8:00AM, 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 MacSpace 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: Patricia A. Lindsey, 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

JOSEPH HOBICA, SR  
CHAIRMAN

JACK SPAETH  
EXECUTIVE DIRECTOR

October 18, 2016

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

Re: *MacSpace LLC/Quanterion Solutions Incorporated*

Dear Mr. Salatino:

On November 1, 2016 at 8:00AM, 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 MacSpace 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.

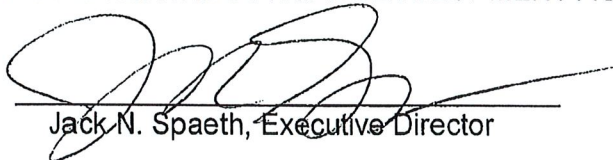
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Should you desire to discuss this matter or if you have any questions concerning this notice please feel free to contact Jack Spaeth at the Agency at telephone number 792-0195.

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  
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ROBERT PALMIERI  
MAYOR

JOSEPH HOBIKA, SR  
CHAIRMAN

JACK SPAETH  
EXECUTIVE DIRECTOR

October 18, 2016

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

Re: *MacSpace LLC/Quanterion Solutions Incorporated*

Dear Mr. Karam:

On November 1, 2016 at 8:00AM, 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 MacSpace 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 792-0195.

Very truly yours,

CITY OF UTICA INDUSTRIAL DEVELOPMENT AGENCY

By:

  
Jack N. Spaeth, Executive Director

RESOLUTION OF THE CITY OF UTICA INDUSTRIAL DEVELOPMENT AGENCY DETERMINING THAT THE ACTION TO PROVIDE FINANCIAL ASSISTANCE FOR A PROJECT PROPOSED BY MACSPACE, LLC IS AN UNLISTED ACTION UNDER THE STATE ENVIRONMENTAL QUALITY REVIEW ACT, UNDERTAKING AN UNCOORDINATED REVIEW OF THE PROJECT, AND DETERMINING THAT THE PROJECT WILL NOT HAVE A SIGNIFICANT ADVERSE IMPACT ON THE ENVIRONMENT

WHEREAS, MacSpace, LLC, on behalf of itself and/or the principals of MacSpace, 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 acquisition and renovation of a two-story, 17,000± square foot commercial bank building and the adjacent 37-space parking lot to convert the same to a professional office space consisting of thirty-five (35) offices, conference rooms and related work areas (collectively, the "Improvements"), all such Improvements situated on a 1.0± acre parcel of land located at 264 – 266 Genesee Street, City of Utica, Oneida County, New York (the "Land") and the acquisition and installation of equipment in the Improvements (the "Equipment") (the Land, the Improvements and the Equipment are referred to collectively as the "Facility" and the acquisition, renovation and equipping of the Facility is referred to collectively as the "Project"), all for the purpose of redeveloping the Improvements for lease to Quanterion Solutions Incorporated (the "Sublessee") and enhancing economic development in downtown Utica; and

WHEREAS, the Agency's decision on the Company's application is an action subject to review under the State Environmental Quality Review Act ("SEQRA"), set forth in Article 8 of the New York State Environmental Conservation law, and the implementing regulations set forth at 6 NYCRR Part 617, as amended (the "Regulations"); and

WHEREAS, the Agency desires to comply with the requirements of SEQRA and the Regulations with respect to the Project; and

WHEREAS, the Company has prepared and submitted to the Agency Part 1 of a Short Environmental Assessment Form (the "SEAF"), which the Agency has found to be complete, copies of which are on file at the office of the Agency; and

WHEREAS, the Agency has considered the Project in light of the Type I actions listed in Section 617.4 of the Regulations and in light of the Type II actions listed in Section 617.5 of the Regulations;

WHEREAS, the Agency desires to classify the type of action for which the Agency's decision concerning the Project qualifies and to undertake an uncoordinated review of this action; and

WHEREAS, the Agency has examined Part 1 of the SEAF, together with the Company's application and supporting materials, and the Agency has considered the potential environmental impacts associated with the Project;



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

Section 1. The Agency hereby classifies the Project as an "Unlisted Action" under SEQRA, as the quoted term is defined in the Regulations.

Section 2. The Agency hereby undertakes an uncoordinated review for Unlisted Actions for this Project and will act as lead agency for purposes of this SEQRA review.

Section 3. The Agency has compared the impacts that may reasonably be expected to result from the Project to the criteria for determining significance identified in Section 617.7(c)(1) of the Regulations.

Section 4. Based that review and its examination of the Company's application, Part 1 of the SEAF, and the Agency's knowledge of the area surrounding the Facility, the Agency makes the following findings and determinations with respect to the Project:

(A) 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;

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

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

(D) 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;

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

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

(G) 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;

(H) 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;

(I) 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;

(J) 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

(K) 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 5. For the reasons set forth more fully in Part 3 of the attached SEAF, the Agency determines that the Project will not have any significant adverse impacts on the environment and the Agency will not require the preparation of an environmental impact statement with respect to the Project.

Section 6. The Agency hereby approves and adopts the attached SEAF with its supporting written elaboration, directs the Executive Director of the Agency to execute Part 3 of the SEAF, and issues a Negative Declaration with respect to the Project.

Section 7. The Executive Director of the Agency is hereby directed to file in the Agency's records the Negative Declaration with respect to the Project, together with a copy of this Resolution. The Executive Director of the Agency and its Staff are further authorized to take any steps necessary to carry out this Resolution.

Section 8. This resolution shall take effect immediately.

[Remainder of page left blank intentionally]

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 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 September 6, 2016 at 8:00 a.m. local time, at Utica, New York which the following members were:

**Present:** Emmet Martin, Vin Gilroy, John Zegarelli

**Absent:** Joseph Hobika, Sr., John Buffa

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

Emmet Martin voting aye;  
Vincent Gilroy, Jr. voting aye; and  
John Zegarelli voting aye.

and, therefore, the resolution was declared duly adopted.

I FURTHER CERTIFY that (i) all directors 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 as of the 26th day of July 2017.



Jack N. Spaeth, Assistant Secretary