

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
**INITIAL RESOLUTION**

*Community Preservation Partners - Project Number, 4001-19-02*

Resolution No. IDA-19-03-12

March 26, 2019

A regular meeting of the St. Lawrence County Industrial Development Agency (the "SLCIDA") was convened on March 26, 2019 at 8:30 AM, local time, in the Main Conference Room of the Ernest J. LaBaff Industrial Building, 19 Commerce Lane, Canton, New York.

The meeting was called to order by the Chairman, and upon roll being called, the following members of the SLCIDA were:

<b>MEMBER</b>	<b>PRESENT</b>	<b>ABSENT</b>
Blevins, Lynn		X
Hall, Mark C.	X	
LaBaff, Ernest	X	
McMahon, Andrew		X
Morrill, Steven	X	
Reagen, James	X	
Staples, Brian W.	X	

The following persons were ALSO PRESENT: Staff: Patrick Kelly, Tom Plastino, Richard Williams, Kimberly Gilbert, Lori Sibley; and Edmund Russell III, Esq., Legal Counsel.

After the meeting had been duly called to order, the Chairman announced that, among the purposes of the meeting, was to consider and take action on certain matters pertaining to a proposed project for the benefit of Community Preservation Partners.

On motion duly made by Mr. LaBaff and seconded by Mr. Hall, the following resolution was placed before members of the St. Lawrence County Industrial Development Agency:

**RESOLUTION OF THE ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY (THE "ISSUER") (1) TAKING OFFICIAL ACTION TOWARDS THE ISSUANCE OF UP TO \$18,000,000 PRINCIPAL AMOUNT MULTI-FAMILY HOUSING REVENUE BONDS (COMMUNITY PRESERVATION PARTNERS PROJECT), SERIES 2019 FOR THE PURPOSE OF FINANCING THE COSTS OF A CERTAIN PROJECT (AS MORE FULLY DESCRIBED BELOW) FOR THE BENEFIT OF COMMUNITY PRESERVATION PARTNERS ("COMPANY"); (2) ACCEPTING THE APPLICATION OF COMPANY; AND (3) AUTHORIZING A PUBLIC HEARING.**

WHEREAS, the Issuer is authorized and empowered by Title 1 of Article 18-A of the General Municipal Law of the State of New York (the "State") as amended, and Chapter 358 of the Laws of 1971 of the State, as amended (collectively, the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research, and recreation facilities, including

industrial pollution control facilities, railroad facilities and certain horse racing facilities, for the purpose of promoting, attracting, encouraging and developing recreation and economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State, to improve their recreation opportunities, prosperity and standard of living, and to prevent unemployment and economic deterioration, and

WHEREAS, Community Preservation Partners or an entity to be formed (the "Company"), having offices at 11951 Freedom Drive, Reston, Virginia 20190, has requested the issuance of multi-family housing revenue bonds in one or more issues or series in a maximum aggregate amount presently estimated at and not to exceed \$18,000,000.00 (the "Bonds") for the purpose of financing a certain project (the "Project") consisting of (A) the acquisition of approximately 10.483 acres of land located at 3 Debra Drive, Village of Potsdam, Town of Potsdam, St. Lawrence County, State of New York (the "Land") together with six (6) residential buildings known as Lawrence Avenue Apartments containing 137 affordable multifamily units (collectively, the "Existing Improvements"); (B) the renovation, equipping and modernization of the Existing Improvements, including, but not limited to, reconstruction of eight (8) apartment units made uninhabitable by fire damage, improvements and upgrades to mechanical, life/safety and energy systems, accessibility, façade and amenities, and related improvements (collectively, the "Improvements") (C) the acquisition and installation in and around the Improvements of certain items of machinery, equipment, fixtures, furniture and other incidental tangible personal property (collectively, the "Equipment", and together with the Land, the Existing Improvements and the Improvements, the "Facility"); (D) the payment of all or a portion of credit enhancement fees relating to the Bonds, if any, funding a debt service reserve fund, if any, and capitalized interest, if any; (E) paying certain costs and expenses incidental to the issuance of the Bonds (the costs associated with items (A) through (D) above being hereinafter collectively referred to as the "Cost(s) of the Facility" or "Project Costs") and (E) the lease of the Issuer's interest in the Facility back to the Company pursuant to a project/leaseback agreement which shall require the Company to make payments sufficient to fund the debt service payments on the Bonds and make certain other payments; and

WHEREAS, the Company has submitted an application to the Issuer regarding the financing of the Project; and

WHEREAS, the Issuer is contemplating providing financial assistance to the Company with respect to the Project (the "Financial Assistance") in the form of the issuance of the Bonds in an amount not to exceed the lesser of the Project Costs or \$18,000,000; and

WHEREAS, pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), the Issuer hereby authorizing the publication and mailing of notice of a public hearing and the holding of a public hearing with respect to the Project and the proposed Financial Assistance being contemplated by the Issuer (the "Public Hearing"), whereat interested parties were provided a reasonable opportunity, both orally and in writing, to present their views; and

WHEREAS, the Company reasonably expects that it will (1) pay or incur certain capital expenditures in connection with the Project prior to the issuance of the Bonds, (2) use funds from sources other than proceeds of the Bonds which are or will be available on a short-term basis to pay for preliminary expenditures, and the acquisition, construction, renovation and equipping of the Project, and (3) reimburse itself for the use of such funds with proceeds of the Bonds; and

WHEREAS, prior to the issuance of the Bonds, the Company has incurred and paid, or will incur and pay, certain preliminary expenditures for architectural, engineering, legal and other services and may also incur actual hard construction or acquisition costs in connection with the Project, all of which have been or will be paid out of funds of the Company which expenditures are reasonably expected to be reimbursed out of the proceeds of the Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE ISSUER AS FOLLOWS:

Section 1. Based upon the representations made by the Company to the Issuer in the Company's application the Issuer hereby finds and determines that:

(A) It is desirable and in the public interest for the Issuer to issue the Bonds to finance the Project Costs; and

(B) The Issuer has the authority to take the actions contemplated herein; and

(C) The action to be taken by the Issuer will induce the Company to undertake the Project, thereby increasing employment opportunities in St. Lawrence County, New York, and otherwise furthering the purposes of the Issuer.

Section 2. The Issuer accepts the application made by the Company.

Section 3. The Terms and Conditions of this Financial Assistance shall be subject to the Terms and Conditions as described in the attached **Exhibit A**.

Section 4. The Issuer authorizes the publication and mailing of notice of a public hearing and the holding of a public hearing with respect to the Project and the proposed Financial Assistance, as required by the Code.

Section 5. To the extent the Company has paid or incurred or will pay or incur preliminary expenditures or hard costs in connection with the Facility with current funds, it reasonably expects to reimburse itself with proceeds from the Bonds.

Section 6. With respect to the issuance of the Bonds, the law firm of Underberg & Kessler LLP of Rochester, New York, is hereby appointed Bond Counsel to the Issuer.

Section 7. Counsel to the Issuer and Bond Counsel are hereby authorized to work with counsel to the Company and others to prepare for submission to the Issuer, all documents necessary to affect the authorization, issuance and sale of the Bonds, and reimbursement of the cost of all such work prior to the date hereof is hereby authorized to the extent permitted by the Code.

Section 8. This Resolution shall constitute the adoption of "official intent" (within the meaning of the United States Treasury Regulations Section 1.150-2(d)) with respect to issuance of the Bonds and the original expenditures which are reasonably expected to be reimbursed from the proceeds of the Bonds.

Section 9. The Chairman (or Vice Chairman), Secretary, or Chief Executive Officer of the Issuer is hereby authorized and directed to distribute copies of this Resolution to the Company and

to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 10. This Resolution shall take effect immediately.

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

Member	Aye	Nay	Abstain	Absent
Blevins, Lynn				X
Hall, Mark C.	X			
LaBaff, Ernest	X			
McMahon, Andrew				X
Morrill, Steven	X			
Reagen, James	X			
Staples, Brian W.	X			

This resolution was thereupon declared duly adopted.

**EXHIBIT A**

<b>1.</b>	<b>Applicant Name/Project Number:</b> Community Preservation Partners - Project [#4001-19-02]	
<b>2.</b>	<b>Project Description (the “Project”):</b> The acquisition of approximately 10.483 acres of land located at 3 Debra Drive, Village of Potsdam, Town of Potsdam, St. Lawrence County, State of New York together with six (6) residential buildings known as Lawrence Avenue Apartments containing 137 affordable multifamily units; the renovation, equipping and modernization of the Existing Improvements, including, but not limited to, reconstruction of eight (8) apartment units made uninhabitable by fire damage, improvements and upgrades to mechanical, life/safety and energy systems, accessibility, façade and amenities, and related improvements.	
<b>3.</b>	<b>Type of Financial Assistance Requested:</b>	The issuance of multi-family housing revenue bonds in one or more issues or series in a maximum aggregate amount presently estimated at and not to exceed \$18,000,000 (the “Bonds”)
<b>4.</b>	<b>Total Amount of Project:</b>	\$22,677,110
<b>5.</b>	<b>Benefited Project Amount:</b>	\$18,000,000
<b>6.</b>	<b>Estimated value of NYS Sales &amp; local sales and use tax exemption to be provided to the Company for this Project:</b>	N/A
<b>7.</b>	<b>PILOT Structure and Estimated Net Exemption from PILOT</b>	N/A
<b>8.</b>	<b>Mortgage Recording Tax Exemption</b>	\$225,579
<b>9.</b>	<b>Full-time Equivalent Jobs to be Retained as a Result of the Project:</b>	2FT + 2PT = 3FT Equivalent
<b>10.</b>	<b>Full-Time Equivalent Jobs to be Created as a Result of the Project:</b>	0
<b>11.</b>	<b>Expiration of the Financial Assistance:</b>	35 Years from 2022

**SECRETARY’S CERTIFICATION**

STATE OF NEW YORK                    )  
COUNTY OF ST. LAWRENCE        ) ss.:

I, the undersigned Secretary of the St. Lawrence County Industrial Development Agency (the “Issuer”), DO HEREBY CERTIFY:

That I have compared the annexed extract of minutes of the meeting of the Issuer, including the resolution contained therein, held on March 26, 2019 with the original thereof on file in my office, and that the same is a true and correct copy of the said original and of such resolution set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

I FURTHER CERTIFY, that (A) all Directors of said Issuer had due notice of said meeting; (B) that the meeting was in all respects duly held; and (C) pursuant to Article 7 of the Public Officers Law (the “Open Meetings Law”), said meeting was open to the general public, and that public notice of the time and place of said meeting was duly given in accordance with the Open Meetings Law.

I FURTHER CERTIFY, that there was a quorum of the Directors of the Issuer present throughout said meeting.

I FURTHER CERTIFY, that as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed, rescinded or modified.

IN WITNESS WHEREOF, I have hereunto set my hand of said Issuer as of March 26, 2019.

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Lynn Blevins, Secretary